

Report on “Laws and Examination Guidelines/Practices of the TM5 Offices against Bad-Faith Trademark Filings”

Revision History

Version	Date	Description
1.0	April 2015	First Edition
1.1	June 2015	First Edition (Rev.)

TABLE OF CONTENTS

CHAPTER 1:	OUTLINE OF SYSTEMS AND PRACTICES OF THE TM5 OFFICES AGAINST BAD-FAITH TRADEMARK FILINGS.....	1
CHAPTER 2:	COMPARISON AND SUMMARY ON SYSTEMS AND PRACTICES OF THE TM5 OFFICES - COMPARE AND SUMMARIZE EACH OFFICE'S SYSTEMS AND PRACTICES ACCORDING TO THE QUESTIONNAIRE ITEMS.....	21
CHAPTER 3:	COMPARISON TABLES - TABLES SUMMARIZING COMPARISONS OF SYSTEMS AND PRACTICES IN EACH FFICE.....	45
 <APPENDIX>		
	• QUESTIONNAIRE	
	• RESPONSES OF EACH OFFICE TO THE QUESTIONNAIRE	
	• MATERIALS OF THE THE SECOND TM5 SEMINAR ON BAD-FAITH TRADEMARK FILINGS (PRESENTATION MATERIALS OF EACH OFFICE)	

Chapter 1:

**Outline of Systems and Practices of the TM5 Offices
against Bad-faith Trademark Filings**

Tackling Bad Faith Trademark Filings in Japan (Chapter 1 of Report)

1. Tackling Bad Faith Trademark Filings under the Trademark Act

(1) Bad Faith Trademark Filings

There is no definition in the Trademark Act about so-called bad faith trademark filings. In general, bad faith trademark filings refer to an act in which a trademark is filed for unfair purposes, taking advantage of the fact that another person's trademark is not registered in the country/region concerned.

(2) Related Provisions under the Trademark Act

In Japan, the following legal grounds are used against bad faith trademark filings. First, principal paragraph of Article 3(1) requires applicants to have an intention to use the mark.

Second, Article 4(1)(vii) does not allow trademarks against public order or morality to be registered.

Third, Article 4(1)(viii) does not allow trademarks containing a name, etc. of another person to be registered (excluding well-known trademarks approved by the said person).

Fourth: Article 4(1)(x) does not allow trademarks identical with or similar to another person's well-known trademarks to be registered.

Fifth: Article 4(1)(xv) provides for the likelihood of confusion as to the origin of another person's goods as a reason for refusal of registration.

Sixth: Article 4(1)(xix) does not allow trademarks identical with or similar to another person's well-known trademarks and used for unfair purposes to be registered.

Seventh: Article 53bis, which corresponds to Article 6septies of the Paris Convention, provides for trials for cancellation of counterfeiting registration by agents.

As explained above, there are several articles which can be applied to bad faith trademark filings. Among them, Article 4(1)(vii) and Article 4(1)(xix) are mainly used to tackle bad faith trademark filings.

In particular, the Japan Patent Office sets forth in the Trademark Examination Guidelines and other regulations how to apply Article 4(1)(xix) which specifies unfair purposes as legal requirements.

(3) Refusing Trademarks Identical with or Similar to Another Person's Well-known Trademark and Used for Unfair Purposes

The provision of Article 4(1)(xix) of the Japanese Trademark Act was introduced in

response to the revision in 1996.

There are three requirements for applying this provision. The first requirement is that another person's trademark (cited trademark) is well-known in Japan or abroad. The second requirement is that applied trademark and another person's well-known trademark (cited trademark) are identical or similar. The third requirement is that the applied trademark is used for unfair purposes.

(4) Trademark Applications that Falls under Article 4(1)(xix) of the Japanese Trademark Act

The followings cases are adopted in the Trademark Examination Guidelines as applications that falls under Article 4(1)(xix).

For example, in cases where trademarks well-known abroad are not registered in Japan, (a) applications filed for the purpose of making the owner of the well-known trademark buy the trademark rights for a high price; (b) applications filed for the purpose of preventing the owner of the well-known trademark from entering the Japanese market; and (c) applications filed for the purpose of forcing the owner of the well-known trademark to enter into a distributor agreement, fall under Article 4(1)(xix).

Moreover, even in cases where there is no likelihood of confusion between the another person's trademark well-known throughout Japan and the applied trademark identical with or similar to the said trademark; (a) applications filed to dilute the function of indicating the origin and (b) applications filed to impair the reputation of the well-known trademark fall under Article 4(1)(xix).

(5) Determining “Unfair Purposes” under Article 4(1)(xix)

If materials that demonstrate facts listed below are available, the JPO conducts examination taking them into consideration in order to determine “unfair purposes”.

For example (a) the another person's trademark is well-known among consumers (period, scope and frequency of use, etc.); (b) the well-known trademark consists of coined words or has highly distinctive features in composition; (c) the owner of the well-known trademark has a specific plan to enter the Japanese market; (d) the owner of the well-known trademark has a plan to expand business in the near future; (e) demands from the applicant forcing the owner of the well-known trademark to buy the trademark rights or to enter into a distributor agreement; and (f) risks of damaging credibility, reputation and goodwill accumulated in the well-known trademark if the applicant uses the trademark.

(6) Presumption of “Unfair Purposes” under Article 4(1)(xix)

Even if materials to prove facts listed in (5) above are not found in determining unfair purposes, a trademark application that meets both of the following requirements is presumed as having an intention to use “another person’s well-known trademarks” for unfair purposes because it is highly unlikely that the trademark coincides with the said well-known trademark only by accident.

(a) The trademark filed is identical with or remarkably similar to the trademark well-known in one or more foreign countries or well-known throughout Japan.

(b) Another person’s well-known trademark consists of coined words, is creative or has highly distinctive features in composition

The Trademark Examination Guidelines provide that trademark applications that meet these two requirements are presumed as having unfair purposes.

2. Scheme for Tackling Bad Faith Filings in Japan

Bad faith trademark filings can be refused in the examination of the JPO under the Trademark Act. In addition, if bad faith trademark filings are registered, it is allowed to request oppositions to the grant of trademark registrations and trials for invalidation. If unfair purposes are found, bad faith trademark filings can be invalidated at any time.

3. Information Provision System

Anyone can provide information that pending applications at the JPO should not be registered and materials that provide grounds for it.

Information provided is used as reference of examinations. The information provision system is very important to tackle bad faith trademark filings, because users do not need to subsequently request unnecessary oppositions and trials for invalidation and the JPO improves the accuracy and expeditiousness of examination and as a result, prevents defective trademark rights from being registered.

4. Summary

The JPO can refuse bad faith trademark filings in the examination of the JPO under the Trademark Act. Moreover, provision of information can be effective material to refuse registration of bad faith trademark filings in the examination.

[Summary of the KIPO system and practice in dealing with bad-faith marks]

KIPO has struggled to tackle bad-faith marks by adopting new system as well as amending the existing system and practice.

I. Article 7(1)(xii), Korean Trademark Act



Requirements and Court Decisions






Article 7(1)(xii) of the Korean Trademark Act stipulates that trademarks, which are identical or similar to a trademark recognized by consumers inside or outside the Republic of Korea as indicating the goods of a particular person, and are used to obtain unjust profits or to inflict harm on a particular person, cannot be registered.

This article was revised in 2007 (by deleting a word of “remarkably”), mitigating the required level of well-knownness of prior used and/or prior registered trademarks. And to prove well-known status, sales volumes, advertising expenditures, market shares, brand rankings, worldwide trademark registration and promotional materials have been generally submitted to KIPO and/or Court; further, well-known status needs to be demonstrated by significant sales figures, advertising figures, and significant market share detailed in objective documents.

However, some recent Supreme Court decisions made it easier to demonstrate well-known status. The Patent Court (2nd phase of appeal procedures), following a well-established practice, denied the well-known status of JUNKERS mark based on the fact that sales figures of JUNKERS watches are not exactly specified and there is no critical evidence to prove JUNKERS watches’ market shares and advertising figures. However, the Supreme Court reversed the Patent Court decision based on how long the JUNKERS mark has been used, how many shops are selling the watches and the assessment of the watches (Case No. 2013HU2460).

Concerning bad-faith, KIPO and/or Court take the followings into consideration: (i) famousness of well-known/famous trademarks, (ii) creativity of well-known trademarks, (iii) whether the applicant is preparing for a business using the registered trademark, or (iv) whether the designated goods/services are same, similar, or economically related.

In this regard, in the procedure of invalidating “” mark, which is similar to “”, the

Supreme Court recognized the bad-faith in “” mark on not only bags, but also guts to make sausages, canes saddles trees and bridles (harness) based on the followings: (i) famousness of “” mark, (ii) the similarity between “” and “” and (iii) the fact that the registrant of “” had filed several applications in the past which have

confusing similarities to those by the owner of “**V**” .

KIPO's New Practice

KIPO has strengthened its efforts to prevent bad-faith filing applications from being registered since August 2013, indicating that bad-faith filing applications could be rejected by ex officio examination even without information provided by a third party.

II. Other Trademark Act Articles related to deal with bad-faith marks

Korean Trademark Act came into effect on June 11, 2014

An application will be refused where the applicant obtained knowledge of the mark from the original owner through an agreement, transaction or other relationship [Article 7(1)(xviii), Korean Trademark Act]. In applying this article, proving well-known status of prior used mark is not required.

Further, KIPO protects (notably) well-known marks when a third party's mark would damage the distinctiveness or reputation of (notably) well-known marks (Article 7(1)x, Korean Trademark Act).

Revision of Trademark Examination Guideline of KIPO effective on Jan 1, 2014

According to Article 23(1)(iii) of the Korean Trademark Act, a trademark cannot be registered where it is identical or similar to one registered in the territory of a State party to a treaty and has been filed by someone who is or was an agent or representative of the owner of the trademark within one year prior to the filing date without the owner's authorization, for designated goods identical or similar to the designated goods covered by the owner's trademark.

The revised guideline extends the notion of “agent” and “representative”. In details, an application filed by an employee of a former agent will be treated as if it had been filed by the agent itself. Likewise, if an application is filed by another company owned by a former agent or represented by the former agent, the application can be also rejected. In accordance with the Act, this Article shall apply only where an opposition has been filed by the owner, or information has been provided.

Article 3 of the Korean Trademark Act stipulates that any person who uses or intends to use a trademark in the Republic of Korea may be entitled to have his/her trademark registered.

In this regard, Article 42-2, the Trademark Examination Guideline stipulates that when a KIPO examiner has a doubt that the applicant files a trademark application for the

purpose of prior occupation and/or interfering with a third party's trademark registration without the intention of use, the examiner can issue a provisional refusal. In this case, the examiner can presume the subjective intention such as prior occupation by referring to not only the pertinent application, but also the history of the applicant's present and/or past trademark applications and/or registration and/or the scope of the applicant's current business. Further, if the applicant files a mark of celebrities' names, TV Program titles and titles of famous characters on more than two non-similar goods/services or a certain mark and/or a large number of marks on a large number of goods/services, the examiner can issue a provisional refusal.

GUIDELINES FOR EXAMINATION IN THE OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET (TRADE MARKS AND DESIGNS) ON COMMUNITY TRADE MARKS

PART D

CANCELLATION

SECTION 2

SUBSTANTIVE PROVISIONS

Some paragraphs of this part of The Guidelines were revised and updated, namely General Remarks (paragraph 1), Revocation due to non-use of the CTM (paragraphs 2.1 and 2.2), Paragraph 3.3 (Bad faith as an absolute ground for invalidity) and Relative Grounds for Invalidity (paragraph 4). Res Judicata, as far as relative grounds are concerned, has also been revised (paragraph 5).

The remaining paragraphs dealing with Revocation due to marks becoming generic or misleading (paragraphs 2.3. and 2.4) and Absolute grounds for invalidity (paragraph 3, with the exception of paragraph 3.3) will be revised within Work Package 2.

2.4 CTM becoming misleading

Revision within WP2

3 Absolute grounds for invalidity

3.1 CTM registered contrary to Article 7

Revision within WP2

3.2 Defence against a claim of lack of distinctiveness

Revision within WP2

3.3. Bad faith

The CTMR considers bad faith only as an absolute ground for the invalidity of a CTM, to be relied on either before OHIM or by means of a counterclaim in infringement proceedings. Therefore, bad faith is not relevant in examination or opposition proceedings (with regard to opposition proceedings, see judgment of 17/12/2010, T-192/09, 'Seve Trophy', para. 50).

3.3.1 Relevant point in time

The relevant time for determining whether there was bad faith on the part of the CTM owner is the time of filing of the application for registration. However, it must be noted that:

- Facts and evidence dated prior to filing can be taken into account for interpreting the owner's intention at the time of filing the CTM. Such facts include, in particular, whether there is already a registration of the mark in a Member State, the circumstances under which that mark was created and the use made of it since its creation (see paragraph 3.3.2.1, point 3 below).
- Facts and evidence dated subsequent to filing can sometimes be used for interpreting the owner's intention at the time of filing the CTM, in particular relating to whether the owner has used the mark since registration (see paragraph 3.3.2.1, point 3 below).

3.3.2 Concept of bad faith

As observed by Advocate General Sharpston (opinion of 12/03/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli'), the concept of bad faith referred to in Article 52(1)(b) CTMR is not defined, delimited or even described in any way in the legislation. However, the Court of Justice provided some guidance on how to interpret this concept in its judgment in the same case, as did the General Court in several cases (judgments of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', of 14/02/2012, T-33/11, 'BIGAB' and judgment of 13/12/2012, T-136/11, 'Pelikan').

One way to describe bad faith is 'conduct which departs from accepted principles of ethical behaviour or honest commercial and business practices' (opinion of Advocate General Sharpston of 12/03/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', para. 60; similar decision of 01/04/2009, R 529/2008-4 – 'FS', para. 14).

In order to find out whether the owner had been acting in bad faith at the time of filing the application, an overall assessment must be made in which all the relevant factors of the individual case must be taken into account. A non-exhaustive list of such factors is given below.

3.3.2.1 Factors likely to indicate the existence of bad faith

Case-law shows three cumulative factors to be particularly relevant:

1. Identity/confusing similarity of the signs: The CTM allegedly registered in bad faith must be identical or confusingly similar to the sign to which the invalidity applicant refers. Whereas the fact that marks are identical or confusingly similar is not in itself sufficient to show bad faith (re identity, see judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 90), a dissimilar or not confusingly similar mark will not support a finding of bad faith.
2. Knowledge of the use of an identical or confusingly similar sign: The CTM owner knew or must have known about the use of an identical or confusingly similar sign by a third party for identical or similar products or services.

There is knowledge, for example, where the parties have been in a business relationship with each other, while knowledge may be presumed to exist ('must know') on the basis, inter alia, of general knowledge in the economic sector concerned or duration of use. The longer the use of a sign, the more likely it is that the CTM owner had knowledge of it (judgment of 11/06/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', para. 39). On the other hand, a presumption of knowledge is less likely when the sign was registered in a non-EU country and there was only a short time between the application for registration in that non-EU country and an application for registration in an EU country (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 61).

A finding of bad faith based on the knowledge of the existence of an earlier sign might also be justified when the CTM was applied for in respect of goods or services which, although dissimilar (i.e. with reference to the *Canon* criteria) to those covered by the invalidity applicant's sign, can be considered as belonging to a neighbouring/adjacent market and thus to an area into which the invalidity applicant's sign can be reasonably expected to be extended. On the other hand, the more removed the goods or services of the CTM are from those in respect of which the invalidity applicant's sign is used, the more unlikely a finding of dishonest conduct and, therefore, of bad faith would be (although, depending on the overall circumstances of the case, a finding of bad faith could be envisaged also in respect of goods or services which are far removed from those in respect of which the invalidity applicant's sign is used and where it is shown that the invalidity applicant's sign is reputed and that the CTM owner's aim was to unduly benefit from this reputation).

Knowledge is not sufficient in itself to support a finding of bad faith (judgment of 11/06/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', paras 40, 48 and 49). For example, it cannot be excluded that, where a number of producers use, on the market, for identical or similar goods, identical or similar signs that could give rise to confusion with the sign for which registration is sought, the CTM owner's registration of the sign may be in pursuit of a legitimate objective. This could be the case where the CTM owner knows, at the time of filing the CTM application, that a third undertaking is making use of the mark covered by that application by giving its clients the impression that it officially distributes the goods sold under that mark, even though it has not received authorisation to do so (judgment of 14/02/2012, T-33/11, 'BIGAB', para. 27).

Knowledge or presumption of knowledge of an existing sign is not required where the CTM owner misuses the system with the intention of preventing any similar sign from entering the market (see, for example, artificial extension of the grace period for non-use in paragraph 3.3.2.1, point 3(b) below).

3. Dishonest intention on the part of the CTM owner: This is a subjective factor that has to be determined by reference to objective circumstances (judgment of 11/06/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', para. 42). Again, several factors can be relevant. See, for example, the following case scenarios:

- (a) While it is not a requirement of the CTM system that a CTM owner must at the time of applying for a CTM also have the intention of using it, it could be seen as an indication of dishonest intention if it subsequently becomes apparent that the owner's sole objective was to prevent a third party from entering the market (judgment of 11/06/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', para. 44).

On the other hand, if there is commercial logic to the filing of the CTM and it can be assumed that the CTM owner intended to use the sign as a trade mark, this would tend to indicate that there was no dishonest intention. For example, this could be the case if there is a 'commercial trajectory', such as the registration of a CTM after registration of the mark in a Member State (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 58), if there is evidence of the CTM owner's intention to develop its commercial activities, for example by means of a licensing agreement (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 67) or if the CTM owner had a commercial incentive to protect the mark more widely, for example, an increase in the number of MS in which the owner generates turnover from goods marketed under the mark (judgment of 14/02/2012, T-33/11, 'BIGAB', paras 20, 23).

The existence of a direct or indirect relationship between the parties prior to the filing of the CTM, for example a pre-contractual, contractual or post-contractual (residual) relationship, can also be an indicator of bad faith on the part of the CTM owner (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', paras 85 to 87). The CTM owner's registration of the sign in its own name in such cases can, depending on the circumstances, be considered a breach of honest commercial and business practices.

- (b) One example of a situation which may be taken into account in order to assess whether the proprietor acted in bad faith is where a CTM owner

tries to artificially extend the grace period for non-use, for example by filing a repeat application of an earlier CTM in order to avoid the loss of a right as a result of non-use (judgment of 13/02/2012, T-136/11, 'Pelikan', para. 27).

This case needs to be distinguished from the situation in which the CTM owner, in accordance with normal business practice, seeks to protect variations of its sign, for example, where a logo has evolved (judgment of 13/02/2012, T-136/11, 'Pelikan', paras 36 et seq.).

Other potentially relevant factors identified in case-law and/or Office practice to assess the existence of bad faith include:

- (i) The circumstances under which the contested sign was created, the use made of it since its creation and the commercial logic underlying the filing of the application for registration of that sign as a CTM (judgment of 14/02/2012, T-33/11, 'BIGAB', paras 21 et seq.).
- (ii) The nature of the mark applied for. Where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the CTM owner was acting in bad faith at the time of filing might more readily be established where the competitors' freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, with the result that the CTM owner is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products (judgment of 11/06/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', para. 50).
- (iii) The degree of inherent or acquired distinctiveness enjoyed by the invalidity applicant's sign and the CTM owner's sign.
- (iv) The fact that the national mark on which the CTM owner has based a priority claim has been declared invalid due to bad faith (decision of 30/07/2009, R 1203/2005-1 – 'BRUTT').

3.3.2.2 Factors unlikely to indicate the existence of bad faith

Case-law has identified several factors that, in general, are unlikely to prove bad faith. However, it cannot be excluded that, when they are combined with other factors, the result of the overall assessment might be a finding of bad faith:

- Extending the protection of a national mark by registering it as a CTM falls within a company's normal commercial strategy (judgment of 14/02/2012, T-33/11, 'BIGAB', para. 23, judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 58).
- Bad faith cannot be found on the basis of the length of the list of goods and services set out in the application for registration (judgment of 07/06/2011, T-507/08, '16PF', para. 88). As a rule, it is legitimate for an undertaking to seek registration of a mark not only for the categories of goods and services that it markets at the time of filing the application but also for other categories of goods and services that it intends to market in the future (judgment of 14/02/2012, T-33/11, 'BIGAB', para. 25; judgment of 07/06/2011, T-507/08, '16PF', para. 88).

- The fact that the owner of several national marks decides to apply for a CTM for only one and not all of them cannot be an indication of bad faith. The decision to protect a mark at both national and Community level is a choice dictated by the proprietor's marketing strategy. It is not for OHIM or the Court to interfere with this choice (judgment of 14/02/2012, T-33/11, 'BIGAB', para. 29).
- If a sign enjoys a reputation at national level and the owner applies for a CTM, the extent of the sign's reputation might justify the owner's interest in ensuring broader legal protection (judgment of 11/06/2009, C-529/07, 'Chocoladenfabriken Lindt & Sprüngli', paras 51 and 52).
- The fact that, after successfully registering the CTM at issue, the CTM owner serves formal notice on other parties to cease using a similar sign in their commercial relations is not an indication of bad faith. Such a request falls within the scope of the rights attaching to the registration of a CTM; see Article 9 CTMR (judgment of 14/02/2012, T-33/11, 'BIGAB', para. 33).
- The mere fact that the differences between the CTM at issue and the invalidity applicant's sign are so insignificant as not to be noticeable to the average consumer cannot establish that the contested CTM is a mere repeat application made in bad faith (judgment of 13/02/2012, T-136/11, 'Pelikan', para. 34). The evolution over time of a logo intended as the graphic representation of a mark constitutes normal business practice (judgment of 13/02/2012, T-136/11, 'Pelikan', para. 36).
- The fact that an earlier, very similar, CTM was revoked for goods or services in a number of classes is not, in itself, sufficient to allow any conclusions to be drawn as to the CTM owner's intentions at the time of filing the CTM application for the same goods or services (judgment of 13/02/2012, T-136/11, 'Pelikan', para. 46), since it was filed five years before the revocation action was launched.
- The fact that the application for registration of the contested CTM is filed three months before expiry of the period of grace for the earlier CTMs is not sufficient to counteract factors that show that the CTM owner's intention was to file a modernised trade mark covering an updated list of services (judgment of 13/02/2012, T-136/11, 'Pelikan', paras 50 and 51).
- The filing of applications for declarations that the invalidity applicant's marks are invalid constitutes the legitimate exercise of a CTM owner's exclusive right and cannot in itself prove any dishonest intent on its part (judgment of 13/02/2012, T-136/11, 'Pelikan', para. 66).
- A request for compensation made by the CTM owner to the invalidity applicant (even a seemingly disproportionate compensation) does not in itself establish bad faith (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 88).
- The fact that the signs at issue are identical does not establish bad faith where there are no other relevant factors (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', para. 90).
- Concurrent use of the marks over a long period (several years) prior to the contested application without any attempts by the invalidity applicant, who knew

about the CTM owner's use, to stop that use, might be an indicator that the CTM owner was not in bad faith.

3.3.3 Proof of bad faith

Good faith is presumed until proof to the contrary is adduced (judgment of 13/02/2012, T-136/11, 'Pelikan', para. 57). The invalidity applicant needs to prove that there was bad faith on the part of the CTM owner at the time of filing the CTM, for example that the CTM owner had no intention of using the CTM or that its intention was to prevent a third party from entering the market.

3.3.4 Relation with other CTMR provisions

Whilst Article 8(3) CTMR is a manifestation of the principle that commercial transactions must be conducted in good faith, Article 52(1)(b) CTMR is the general expression of that principle (see page 4 et seq. of the Manual on Article 8(3) CTMR).

3.3.5 Extent of invalidity

When bad faith of the CTM owner is established, the whole CTM is declared invalid, even for goods and services that are unrelated to those protected by the invalidity applicant's mark.

For example, the Board of Appeal, in its decision of 21 April 2010 in Case, R 219/2009-1 'GRUPPO SALINI/SALINI', having concluded that bad faith had been proven, declared the total invalidity of the contested CTM also in respect of services (i.e. insurance, financial and monetary services in Class 36 and software and hardware-related services in Class 42) which were dissimilar from the invalidity applicant's building, maintenance and installation services in Class 37.

The General Court, in its judgment of 11 July 2013 in case T-321/10, confirmed the above decision of the Board and shared the view, put forward by the Office in its Response, that a positive finding of bad faith at the time of filing of the contested CTM could only lead to the total invalidity of the latter.

Whereas the Court did not expand on the reasons for this conclusion, it can be safely inferred that it took the view that the protection of the general interest in business and commercial matters being conducted honestly justifies invalidating a CTM also in respect of goods/services that are dissimilar from the invalidity applicant's ones and do not even belong to an adjacent or neighbouring market.

Whereas more case-law from the Court is needed in order to clarify certain aspects of bad faith and in particular its scope of application, it should be noted that, to the extent that bad faith punishes conducts that are contrary to accepted principles of ethical behaviour or honest commercial and business practices, it is only logical that the invalidity, once declared, should extend to all the goods and/or services covered by the contested CTM, even those which, in a pure Article 8(1)(b) scenario, would be found to be dissimilar.

Chinese Legal System of Coping with Bad-faith Filing of Trademark

I. What kind of trademark application might be termed as “bad-faith filing”?

There's no clear definition of bad-faith application in the laws on trademarks. However, bad-faith application of trademark usually refers to the act of application for trademark registration that is against the principle of good faith, for the purpose of grabbing or unfairly exploiting the goodwill of another party's trademark(s), infringing another party's prior rights, or encroaching public resources.

II. Common types of bad-faith filing and the related provisions in the *Trademark Law*

In China, the prohibition of bad-faith application is mainly carried out by the Trademark Office through opposition procedure, and the Trademark Review and Adjudication Board through invalidation procedure, and the court through law suit.

Common types of bad-faith application include the following situations:

1. Reproducing, imitating, or translating another party's well-known trademark

According to Article 13 of the *Trademark Law*, both unregistered and registered well-known trademarks might be protected in China.

Paragraph 2 of Article 13 provides that: "A trademark that is applied for registration in identical or similar goods shall not be registered and its use shall be prohibited, if it is a reproduction, an imitation or a translation, of another party's well-known mark that is not registered in China and it is liable to create confusion." This provides protection on identical or similar goods/services for well-known trademarks that have not been registered in China.

Paragraph 3 of Article 13 provides that: "A trademark that is applied for registration in non-identical or dissimilar goods shall not be registered and its use shall be prohibited, if it is a reproduction, an imitation or a translation, of a well-known mark which is registered in China, misleads the public, and the interests of the registrant of the well-known mark are likely to be damaged by such use." This provides expanded protection on non-identical or dissimilar goods/services for well-known trademarks that have already been registered in China.

2. Applying in unfair means for the registration of a trademark that is already in use by another party and has certain influence.

According to Article 32 of the *Trademark Law*, no trademark application shall infringe upon another party's existing prior rights. Nor shall an applicant register in an unfair means a mark that is already in use by another party and has certain influence.

The requisite conditions for a prior used unregistered trademark to prevent

posterior trademark registration include:

- 1) the other party's trademark is already in use and has acquired certain influence before the application of the disputed trademark;
- 2) the disputed trademark is identical with or similar to the other party's trademark;
- 3) the designated goods/services of the disputed trademark are identical with or similar to the related goods/services of other party's trademark in principle;
- 4) the applicant of the disputed trademark bears bad faith.

3. Applying for the registration of a trademark that infringes another party's prior rights

According to Article 32 of the *Trademark Law*, no trademark application shall infringe upon another party's existing prior rights, which mainly include intellectual property rights other than trademark right (such as trade name right, copyright and design etc.) and personal right (including portraiture right and right of name).

4. The agent or representative of a person who is the owner of a trademark applying in bad faith for the registration of the mark in his own name

According to paragraph 1 of Article 15 of the *Trademark Law*, where the agent or representative of a person who is the owner of a mark applies, without such owner's authorization, for the registration of the mark in his own name, if the owner opposes the registration applied for, the application shall be refused and the use of the mark shall be prohibited.

III. New amendments in the Trademark Law against bad-faith filing

The new Trademark Law that entered into force on May 1 of 2014 has strengthened the efforts of cracking down on bad-faith filing, specifically as follows:

1. In the General Provisions (Paragraph 1 of Article 7), add the provision of "The application for registration and the use of trademarks shall follow the principle of honesty."
2. Add Paragraph 2 in Article 15: "A trademark that is applied for registration in identical or similar goods with another party's prior used identical or similar trademark shall not be registered, if the applicant is in a contractual or business relationship or other kind of relationship other than provided in the preceding paragraph with the party, thus is fully aware of the party's trademark and that the party opposes the registration applied for."

Handling Bad Faith Filings in the United States

The principle tools used in the United States to tackle bad faith filings are (1) a statutory duty of good faith filings at the United States Patent and Trademark Office (USPTO), with penalties for fraudulent statements; (2) requirement for proof of use of, or a sworn statement of *bona fide* intent to use, the mark in commerce; (3) a duty of professional conduct for attorneys practicing before the USPTO; and (4) consideration of bad faith as a factor in a likelihood of confusion and dilution analysis. Bad faith may also be addressed through challenges on the grounds of misrepresentation of source under Trademark Act Section 14(3), and refusals or challenges on the basis of a false suggestion of a connection under Trademark Act Section 2(a). Finally, the USPTO has a variety of procedural mechanisms to help fight against registration of bad faith applications, as well as tools to streamline oppositions and cancellations in the event a challenge is filed.

In the application process, trademark applicants are required to provide verified statements, under penalty of perjury, that to the best of the verifier's knowledge and belief the facts recited in the application are accurate, that the verifier believes the applicant to be the owner of the mark (or if based on an intent to use, believes the applicant to be entitled to use the mark in commerce), and that no one else, to the best of his or her knowledge and belief, has the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when applied to the goods or services of the other person, to cause confusion or mistake, or to deceive. Where an applicant knowingly makes a false, material representation with the intent to deceive the USPTO, the applicant's application may be challenged on the basis of fraud and the applicant may be subject to possible criminal penalties.

In the United States, a trademark applicant must either show "use in commerce" or have a "bona fide intention to use" the mark in commerce. Section 45 of the Trademark Act defines "use in commerce" to mean "the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark." A bona fide intention means that an applicant has a "good faith" intention to use the mark in commerce. Thus, either method of registration requires good faith. Requirements of use or intention to use are designed to create more economic efficiencies for consumers and businesses by preventing applicants from unfairly reserving a large number of potential marks with no real intention to use them. Evidence of actual use, in the form of examples of the mark used on or in connection with the goods or services must be submitted, or alternatively, a sworn statement of bona fide intent to use. An examiner will not evaluate the good faith of an applicant during examination and will not make an inquiry unless evidence of record clearly indicates that the applicant does not have a bona fide intention to use the mark in commerce. A third party may challenge an applicant's intention to use. If challenged by a third party, a bona fide intention to use can be established by providing a business plan, sample products, market research, manufacturing activities, promotional activities, steps to acquire distributors, or performing other initial business activities.

In trademark litigation both in federal courts and before the USPTO's Trademark Trial and Appeal Board (TTAB), the U.S. Federal Rules of Civil Procedure (FRCP) impose an ethical duty of candor and reasonable inquiry for those parties or attorneys filing documents to the federal courts, including in trademark cases. The Rules governing registration practice before the USPTO contain similar requirements. If an attorney or unrepresented person files a document with a federal court or the TTAB, that person is certifying that to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances: 1) that the filings aren't presented for an improper purpose, 2) that the contentions in the filing are warranted by existing facts or circumstances and are non-frivolous, 3) that the contentions have or are likely to have evidentiary support, and 4) that any denials are reasonably based on lack of information or belief. If the ethical duty is violated, the attorney may be subject to monetary sanctions in a federal court. And as previously mentioned, the USPTO has additional rules for professional conduct for attorneys practicing before the office. The USPTO's Office of Enrollment and Discipline administers the various penalties if an attorney is found to have violated the rules of conduct.

Although bad faith does not by itself constitute an independent basis upon which to oppose or cancel a registration before the TTAB, bad faith form a key part of opposition or cancellation proceedings based upon allegations of fraud, false association, misrepresentation of source. If alleged, bad faith may also be a key factor in TTAB proceedings claiming a likelihood of confusion or dilution. It plays a similar role as well in court litigation concerning likelihood of confusion or dilution under sections 32 (infringement of a registered mark), 43(a)(1)(A) (infringement of an unregistered mark), 43(c) (dilution), and 43(d) (cybersquatting) of the U.S. Trademark Act. The burden of proof to establish these claims, and any related assertion of bad faith, is on the party asserting the claim. While there is no defined list of conditions that determine bad faith, bad faith may be inferred from circumstantial evidence. Courts and the TTAB draw inferences from all of the surrounding circumstances, such as, but not limited to, whether the defendant was aware of the plaintiff's mark when it selected its mark; the degree of similarity of the respective marks; evidence of any copying or imitation of the plaintiff's mark, packaging formats or design elements; any prior business or employment relationship with the plaintiff; and the credibility of the defendant's explanation of the resemblances in the marks or packaging.

In a likelihood of confusion or dilution analysis, the TTAB or a court will weigh a number of factors, including the bad faith intent, fame (how well-known the mark is in the United States to the relevant sector of the public), and similarities of the marks and goods or services. A finding of bad faith intent is given great weight. Some courts have held that a finding of bad faith creates a "presumption" that confusion is likely, *i.e.*, it is presumed that the applicant or registrant intended to cause confusion and that they were successful. Other courts have held that intent creates an "inference" that consumers are likely to be confused, and still others will simply give this factor great weight in a likelihood of confusion analysis. The flexibility in having

a non-exhaustive list of factors for likelihood of confusion allows the Board or court to balance the factors and use a sliding scale in application: for example, the more evidence of bad faith, the less evidence is needed for establishing similarities in the goods or services and the fame of a mark. In any event, as a practical matter, evidence of bad faith requires the accused party to produce more persuasive evidence than ordinarily would be required to prove that confusion is unlikely.

Bad faith may also be addressed through challenges on the grounds of misrepresentation of source under section 14(3) of the U.S. Trademark Act, and refusals or challenges on the basis of a false suggestion of a connection under section 2(a) of the Act. In order to challenge on the grounds of misrepresentation of source, a party may petition to cancel a registration of a mark if the mark is being used by, or with the permission of, the respondent so as to misrepresent the source of the goods or services on or in connection with which the mark is used, regardless of whether the petitioner has used its mark in the United States. The petitioner must show that respondent took steps to deliberately pass off its goods as those of petitioner. *E.g., Bayer Consumer Care AG v. Belmora LLC*, 110 USPQ2d 1623, 1632 (TTAB 2014)

A mark may be refused by the USPTO or challenged under the U.S. Trademark Act on the basis that the mark falsely suggests a connection with a person, living or dead, or institutions. To establish a false connection, it must be proven that (1) the mark sought is the same as or a close approximation of the name or identity previously used by another person or institution; (2) the mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution; (3) the person or institution identified in the mark is not connected with the goods sold or services performed by applicant under the mark; and (4) the fame or reputation of the named person or institution is of such a nature that a connection with such person or institution would be presumed when applicant's mark is used on its good and/or services. *E.g., Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428, 429 (TTAB 1985)

Finally, the USPTO has the following procedural mechanisms used to help identify and refuse applications made in bad faith, as well as tools to streamline oppositions and cancellations in the event a challenge is filed:

Requirement of a showing of bona fide use in commerce to maintain registration: A registrant must file specimens showing use of a mark in commerce by the sixth year of registration, and at every ten years following registration. If a registrant cannot demonstrate use in commerce, the registration will be cancelled.

Requirement for consent of a living individual in order to register his or her name: The USPTO requires the written consent of a living individual to the registration of his or her name, signature or portrait. This

protects persons from the bad faith registration of the designations that identify him or her by unauthorized parties, and protects the rights of privacy and publicity that living persons have in their names, signatures, and portraits.

Suspension of the application process based on a pending relevant TTAB or court proceeding: The USPTO allows for suspension of a pending application based on a pending relevant TTAB or court proceeding. This process allows a good faith applicant to initiate a proceeding against a bad faith blocking application or registration without losing the priority date associated with its application. It prevents the “true owner” from having to appeal a refusal before the proceeding against the bad faith party has been resolved. It also increases judicial efficiency since the issues will be tried only once.

Default judgments: Default judgments are issued when no answer is filed in response to notice of a suit within the specified time. Default judgments prevent bad faith filers from avoiding the legal consequences of their actions by simply refusing to participate in a legal proceeding, and expedite termination of proceedings, thereby conserving judicial resources and reducing costs for parties.

Consolidation of cases in TTAB and court proceedings: The TTAB may consolidate multiple related opposition and/or cancellation proceedings into a single proceeding. U.S. courts have a similar power to consolidate related court cases. This procedure may be used when cases involve a common question of law or fact because it increases the efficiency of the courts and significantly lowers the legal costs of the parties, including parties fighting multiple bad faith filings.

Application of a market-based analysis by examiners and judges to determine the relatedness of goods or services in a likelihood of confusion analysis: A market-based analysis of the goods or services considers evidence of the trade channels, marketing practices, and target consumers of the respective goods or services to determine whether there is a likelihood of confusion. Use of a market-based analysis of the goods or services in a likelihood of confusion action helps to control bad faith registrations by preventing a competitor from filing a blocking registration in a directly competing product line as well as in a product line within a competitor’s logical field of expansion.

Letter of Protest Filed with the USPTO: A letter of protest is an informal procedure, in which third parties may bring to the attention of the USPTO evidence bearing on the registrability of a mark prior to registration. If accepted, the evidence is forwarded to the examiner for consideration. The evidence must relate to issues that can be prosecuted to a legal conclusion by the examiner in the course of *ex parte* examination. Even though bad faith or fraud are not independent grounds for refusal or letter of protest, depending on the nature of the evidence it may be relevant to other grounds of refusal.

Chapter 2:

Comparison and summary on Systems and Practices of the TM5 Offices

- Compare and summarize each Office's systems and practices according to the questionnaire items.

Chapter 2: Comparison and summary of each office' s system and practice

I . General

【 1 : Definition of bad faith】

- Under the legal systems at the TM5 offices, there is no definition for the term “bad faith”. This is common among all TM5 offices.
- However, the JPO and the KIPO describe elements to determine that application is made in bad faith in the examination standard.
- The KIPO, the OHIM and USPTO introduce the elements of bad faith on which courts have made judgments in the past.
- Important factors determining bad faith at each of the TM5 offices are the extent that trademarks are considered to be well-known, an intention of an unfair purpose and the existence of a relationship between applicants and other persons. These factors are only some of the factors used to determine bad faith. This means that, when assessing bad faith in actual cases, any bad-faith filing should be determined with full consideration given to all relevant factors and circumstances.

【 2 : Timing when application is judged to be bad faith】

- In the JPO and the KIPO, bad faith is judged even at the stage when the examiner examines by ex officio, and bad faith is also allowed to be judged at times of opposition and trial for invalidation.
- In the SAIC and USPTO, bad faith is allowed to be requested for judgment from the opposition at the time of publication before registration, and is allowed for judgment even at a time of trial for invalidation after registration.
- In the OHIM, bad faith is allowed to be requested only after the trade mark has been registered (invalidity/cancellation action or counter-claim in national infringement proceedings).

【 3 : When is the earliest point of time when the application is judged to be bad faith in terms of system?】

- In the JPO and the KIPO, bad faith is allowed to be judged at the earliest, in other words, at the stage of ex officio examination by examiner. With regard to this, the JPO and the KIPO have a system where any third party is allowed to provide information that the application has any reason not to be registered. Any third party is allowed to claim that the application for trademark is in bad faith by using the

system. Further, the KIPO has strengthened its efforts to prevent the bad-faith filing application from registering since August 2013, which means that the bad-faith filing application could be rejected by ex officio examination even without information provided by a third party.

- The SAIC and USPTO indicate that bad faith is allowed to be claimed for judgment in the procedure of opposition after publication.
- In the OHIM, bad faith is allowed to be requested only after the trade mark has been registered (invalidity/cancellation action or counterclaim in national infringement proceedings).
- On the other hand, none of each TM5 offices have set any deadlines as to when parties can make claims of bad faith. The SAIC has no time restriction, however, those who are not subject to time restrictions are limited to the owners of well-known trademarks. For the trademarks that are not well-known, it's five years.

【 4 : What is the crucial moment at which the 'bad faith applicant' must have had bad faith to fall foul of the provisions?】

- It is common that each TM5 offices judge at the time of application for trademark.
- The OHIM determines in the cancellation action regarding the registered trade mark whether the owner was in bad faith at the time he applied for the mark.
- The USPTO judges bad faith also at the time when trademark is adopted or at the time of filing an intent-to-use application.

【 5 : Is a subjective element of mind of applicant related to assessment of bad faith? If so, how does the examiner deduce that this subjective element exists in a given case? 】

- The TM5 offices answered that a subjective element of bad faith in the mind of an applicant is related to judgment for bad faith, and is related to an intention of an unfair purpose by an applicant. However, it is difficult to judge the intention of bad faith in mind of an applicant, and it is concluded that the intention is judged from the circumstantial evidence to identify.

【 6 : Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith?】

- In each TM5 offices, any person (opponents, demandants, etc.) who claim bad faith has the burden of proof
- Bad faith is generally determined based on the details of proof submitted in

individual cases. However, the USPTO indicates that although bad faith intent is considered as a factor in a likelihood of confusion analysis, it is not necessary to prove bad faith to establish likelihood of confusion.

- The OHIM indicates that there is no presumption of bad faith.

【 7 : Is there a defined list of conditions ('check-list') according to which 'bad faith' is established?】

- None of the TM5 offices have defined conditions (check list) to prove bad faith and comprehensively take into consideration all facts related to individual cases.
- However, all of the TM5 offices have certain factors to be taken into consideration in judging the application to be bad faith. Typical ones to be taken into consideration are whether a trademark is well-known, similarity of the trademarks and the relationship between litigants etc.

II . Details

In laws of TM5 offices, there are articles, standards, practices and specific cases (such as examination cases, trial decision cases and court cases) in which substantive reasons applicable to application for trademark in bad faith are described, and are explained from the following five viewpoints.

(Five viewpoints)

- 1 . From the viewpoint of applicant with/without an “intention of use”
- 2 . From the viewpoint of applicant with/without “unfair purpose”(except for cases that fall under 1)
- 3 . From the viewpoint of “protection of well-known and famous trademark” for any person other than the applicant
- 4 . From the viewpoint of “unfair application by agent”
- 5 . From the viewpoint of “protection of rights other than trademark rights”

【 1 : From the viewpoint of an “intention of use”, can a filing be refused (or invalidated) for “bad faith” based on the absence of “actual use” or lack of “intent to use” the trademark at the time the application is filed?】

- The JPO, KIPO and USPTO determine that the application may be refused if an applicant has no intention to use. However in the US, it should be a “bona fide” intention to use, which is an intention to use in good faith.
- The OHIM does not have any requirement for the trade mark owner to have an intention to use the mark when applying for it; however, it can be an indication of a dishonest intention of the trade mark owner, if it becomes apparent, subsequently, that he applied for the mark without intending to use it, his sole objective being to prevent a third party from entering the market.
- The SAIC answered that China Trademark Law has no provision which refuses the application of a trademark lacking intent to use.
- The USPTO judges presence/absence of the applicant’s intention of use at the time of application and JPO and KIPO judge it at the time of examination

When judging an intention of use of trademark by an applicant, the practices of the JPO, the KIPO the OHIM and the USPTO whether facts and situations of the following 1) to 7) are taken into consideration are as follows.

- (1) In cases where applicants designate a wide variety of classes or a large number of

goods or services

- In this case, the JPO, as a rule, notify reasons for rejection as there's a rational question of whether the applicant is doing business pertaining to the designated goods or designated services on the assumption of use of trademark or schedules to do business, and confirms use of trademark or an intention of use through the applicant's business.
- Because the OHIM has no requirements related to an intention of use in the CTM system, CTM right holder is not required to submit evidence showing an intention of use and it is legitimate to demand registration of signs for goods or services which may be sold in the future. At the same time, there's no legal basis to identify bad faith based on the length of list of goods and services designated in the application.
- The USPTO requires applicants to submit a verified statement asserting an intention to use the designated goods or services in commerce, and prior to registration, specimens showing use for each classification of goods or services in the application. On the other hand, in case of Madrid protocol applications or applications filed on the basis of a foreign registration, although a statement of bona fide intent to use is required, registration may be made without showing use in commerce. However, a third party can oppose an application or can seek cancellation after registration based on a lack of bona fide intent to use in commerce.
- If an applicant files a trademark application on lots of dissimilar kinds of goods /services which are unrelated each other, the KIPO's examiners are able to have rational question as to whether the applicant has an intention to use the mark on the designated goods/services and issue a provisional refusal.

(2) In cases when applicants file a large number of applications to register the trademarks of others

- In such a case, there were some examples of court cases in Japan: Judge recognized that since an applicant filed a series of trademarks of another person for a wide variety of designated services, these trademarks were registered for only collection, then it is hardly recognized that the applicant actually used these trademarks for any goods or services relating to its own business, or had an intention to use it in the future for those relating to its own business.
- In such a case, there were some examples (Trademark Examination Guideline Article 42-2): When a KIPO examiner has a question that the applicant files a trademark application for the purpose of prior occupation and/or interfering with a third party's

trademark registration without the intention of use, the examiner can issue provisional refusal. In this case, the examiner can presume the subjective intention such as prior occupation by referring to not only the pertinent application, but also the history of the applicant's present and/or past trademark applications and/or registration and/or the scope of the applicant's current business. Further, if the applicant files a mark of celebrities' named, TV Program titles and titles of famous characters on more than two non-similar goods/services or a certain mark and/or a large number of marks on a large number of goods/services, the examiner can issue a provisional refusal.

- The OHIM has no requirements for an intention of use in the CTM system; therefore, the OHIM does not require applicants to submit evidence demonstrating an intention of use. However, in an invalidity action against the registered trade mark, when determining whether the owner had a dishonest intention at the moment of application for that mark, filing a large number of applications to register trade marks of others can be a strong indication of such a dishonest intention.
- In the USPTO, an examiner will not evaluate the good faith of an applicant in the ex parte examination of applications. Generally, the applicant's sworn statement of a bona fide intention to use the mark in commerce will be sufficient evidence of good faith unless evidence of record clearly indicates that the applicant does not have a bona fide intention to use the mark in commerce. However, a third party can file an opposition based on the lack of bona fide intent to use. Judges have held that filing an application for the famous trademarks of other parties for different goods was a basis to support the claim of a lack of a bona fide intent to use .

(3) In cases when persons (natural persons) designate goods or services that require large-scale equipment or investment. (Example: general retail services)

- For example, when an individual applicant designates services that comes under the condition of "provision of convenience to customers conducted in retail sale and wholesale collectively handling various products for clothing items, beverages and livingware", JPO notices reasons for rejection as there's a rational doubt that the applicant is doing or schedules to do business for the designated goods or designated services on the assumption of the use of trademark.

In such a case, there were some examples (Trademark Examination Guideline Article 42-2): When an individual designates goods or services requiring large-scale equipment or investment, a KIPO examiner can issue a provisional refusal. In this case, the examiner should consider the nature of goods/services and market situation,

etc. as a whole; however, the examiner should not interpret the scope of the individual's possible business too narrowly.

- OHIM's system does not have a requirement of intention to use when applying for a trade mark (consequently, applicant does not need to submit any evidence of such an intention); however, it can be an indication of a dishonest intention of the owner of a registered trade mark, if it becomes apparent, subsequently, that he applied for the mark without intending to use it, his sole objective being to prevent a third party from entering the market.
- In the USPTO, examiners do not require an applicant to submit evidence of an intention to use in good faith. However, during an opposition or cancellation proceeding, a third party in its discovery requests may ask the applicant or registrant for evidence showing that the applicant is engaged in the manufacturing or sale of the goods or services, or that it has plans to do so. Failure to produce this evidence would weigh in favor of a finding of lack of bona fide intent to use.

(4) In cases when it is clear that applicants will not carry out their businesses in connection with designated goods or services because the scope of the applicants' businesses are legally limited, or because persons executing businesses connected with the designated goods or designated services are legally restricted.

- The JPO notifies reasons for rejection as there's a rational question of whether the applicant is doing business pertaining to the designated goods or designated services on the assumption of use of trademark or schedules to do business in case of the question.

In such a case, there were some examples (Trademark Examination Guideline Article 42-2): KIPO examiner can issue a provisional refusal on the condition that when an individual files an application for more than two non-closely related services which needs law requires licenses, such as hospital services and legal services.

- OHIM's system does not have a requirement of intention to use when applying for a trade mark (consequently, applicant does not need to submit any evidence of such an intention); however, it can be an indication of a dishonest intention of the owner of a registered trade mark, if it becomes apparent, subsequently, that he applied for the mark without intending to use it, his sole objective being to prevent a third party from entering the market.
- In the USPTO, if evidence is submitted that the applicant is legally restricted from offering the goods or services, this evidence would be a factor that a judge would weigh in favor of a finding of lack of bona fide intent to use..

(5) In cases when it is obvious that the filing is done under the intent to block entry into the market by others.

- The JPO may also take an intention of interference with market into consideration by examiner.

If the intention of market interference includes the situations of filing a trademark application for the purpose of prior occupation and/or interfering with a third party's trademark registration without the intention of use, the KIPO can say that the intention of market interference can be considered to determine whether there is bad-faith or not.

- The OHIM has no requirements for an intention of use in the CTM system. However, if it becomes clear later that the CTM right owner applied for registration of a sign without having an intention of use, his only purpose being to prevent a third party from entering into the market, this can be an indication of a dishonest intention (one factor to judge bad faith).
- In the USPTO, if a party, during an opposition or cancellation, submits evidence that the application is made to simply interfere with entry into the market, this evidence is examined by a judge and would support a judgment in favor of a lack of bona fide intent to use.

(6) In cases where the mark they registered (allegedly in bad faith) is subsequently revoked for non-use?.

- In the JPO, KIPO, OHIM and the USPTO, revocation due to non-use, in itself, is insufficient for a finding of bad faith.
- In the SAIC, cancellation based on three years of non-use has no relation to bad faith.

(7) Are there other reasons affecting decisions on "Intent to use"?

- OHIM's system does not have a requirement of intention to use when applying for a trade mark (consequently, applicant does not need to submit any evidence of such an intention); however, it can be an indication of a dishonest intention of the owner of a registered trade mark, if it becomes apparent, subsequently, that he applied for the mark without intending to use it, his sole objective being to prevent a third party from entering the market. Another possible bad faith scenario is that the CTM right owner intends to artificially extend the grace-period for non-use by filing the same CTM again to avoid loss of right due to non-use.

- In the USPTO, each case is fact specific, and a judge will carefully evaluate lack of an intent to use.

【2: Is there any legislation for refusing an application (or invalidating the registration) on the basis of unfair intention, except for cases that fall under Q1?】

- The JPO and the KIPO have laws to reject or invalidate an application for an unfair purpose on the stages of examinations, opposition or trial. Further, in the KIPO, as of June 11, 2014, an application will be refused where the applicant obtained knowledge of the mark from the original owner through an agreement, transaction or other relationship.
- The OHIM can invalidate a registered CTM on the basis of bad faith. A factor of particular relevance in the overall assessment of all factors is whether the CTM owner had a dishonest intention at the moment of filing the CTM application.
- The SAIC have laws to reject or invalidate an application for an unfair purpose in opposition or trial.
- The USPTO does not have a stand-alone ground to reject or challenge on bad faith, however, bad faith is one element that the TTAB or court judge will weigh in determining likelihood of confusion or dilution. Bad faith may also be addressed through challenges on the grounds of misrepresentation of source under Trademark Act Section 14(3), and refusals or challenges on the basis of a false suggestion of a connection under Trademark Act Section 2(a).

▪

Actual practices of the JPO, KIPO, OHIM, SAIC and the USPTO of whether the facts and situations of the following 1) to 5) are taken into consideration in judging and unfair purpose (bad faith) of trademark are as follows.

(1) Applicants' actions or facts involved with filing, such as business partnerships, prior business contacts, demands to buy filed or already registered trademarks, etc. In addition, does it make a difference if the demand for compensation is disproportionately high?

- In TM5 offices, the background of application such as action of an applicant and related facts may become an element to be taken into consideration when finding an unfair purpose (bad faith).

(2) In cases when applicants designate a wide variety of classes or a large number of goods or services

- The JPO and the KIPO consider that such a case is one element to find an unfair intention in application for trademark.
- Because the OHIM has no requirements for an intention of use in the CTM system, it does not require the applicant to submit evidence demonstrating an intention of use in such a case. There's no legal basis for a finding of bad faith based on the length of list of goods and services designated in the application.
- In the USPTO, although there is not a stand-alone ground for refusing on bad faith, the fact that an applicant designates various goods or services but cannot demonstrate evidence of use for commercial purpose may result in a judgment on the basis of lack of bona fide intent to use or may be weighed in a likelihood of confusion analysis.

(3) In cases when applicants file a large number of applications for trademarks of others

- The JPO and the KIPO consider that such a case is one element to find an unfair intention in application for trademark.
- The OHIM has no requirements for an intention of use in the CTM system; therefore, the OHIM does not require applicants to submit evidence demonstrating an intention of use. However, in an invalidity action against the registered trade mark, when determining whether the owner had a dishonest intention at the moment of application for that mark, filing a large number of applications to register trade marks of others can be a strong indication of such a dishonest intention.
- The USPTO may consider application for a large number of trademarks of other parties as evidence of bad faith.
- The SAIC may consider that as an element to be bad faith.

(4) Are there other reasons affecting decisions on unfair intentions?

- The JPO also takes (i) well-known trademarks of any other person, (ii) creativity of well-known trademarks, (iii) preparing situation of business of well-known trademarks, (iv) concern to defame reputation, fame and customer attraction of well-known trademarks into consideration.
- The KIPO also takes into consideration the following: (i) famousness of well-known/famous trademark, (ii) creativity of well-known trademark, (iii) whether the applicant is preparing business using the registered trademark, or (iv) whether the designated goods/services are same, similar, or economically related.
- Because the OHIM has no requirements for an intention of use in the CTM system, it is necessary to judge whether the intention of the CTM right owner at the time of

the application is unfair based on individual cases and related elements. One predicted scenario is an application for the purpose of preventing other companies from entering into the market as described above. The other one scenario is that the CTM right owner seeks to intentionally extend the grace period for non-use by filing the same CTM again to avoid loss of right due to non-use.

- According to the USPTO, the TTAB or a court has broad discretion to consider any number of factors which may be evidence of bad faith. For example, if an applicant acts in bad faith through e discovery and is not candid, this may be evidence of bad faith in adoption of a mark.
- The SAIC considers the following: (i) commonality of business areas of applicants and right owners and sales route of goods or services of both; (ii) existence of other disputes between applicants and trademark right owners in other times; (iii) existence of recognition of prior users' trademark, (iv) existence of exchanges between applicants of disputing trademark and internal personnel of trademark right owners (organizations) in other times; (v) whether applicants of trademark aim at obtaining unjust profit; (vi) advertisement resulting in misunderstanding; (vii) existence of creativity stronger than trademark of any other person.

(5) Is any relationship between the original owner of the trademark and the applicant required?

- In the JPO, the relation between the original owner of the trademark and the applicant is not an essential requirement, but is an element to be taken into consideration.
- The KIPO does not require such a relation, however, if there's any relation between the original owner of the trademark and the applicant, it is highly possible that unfair intention is found by the Intellectual Property Tribunal (IPT) and Patent/Supreme court.
- In the OHIM, such a relation is not a condition for a finding of bad faith, but it is taken into consideration in the overall assessment of all relevant factors. In particular, it is relevant when there has been a prior contractual or pre-contractual relationship giving rise to a duty of fair play.
- In the USPTO, it is unnecessary for an opponent to demonstrate any relationship between the original owner of a trademark and an applicant in order to prove bad faith.
- In the SAIC, such a relation is one factor to identify bad faith.

【 3 : Can a bad-faith filing be refused (or invalidated) based on legislation for well-known/famous marks, including protection against trademark dilution?】

- The JPO and the KIPO have laws to reject or invalidate any application for trademark in bad faith in examination (by ex officio), opposition or trial by laws concerning well-known and famous trademark protection (including protection from dilution.).
- The SAIC has laws to reject or invalidate any application for trademark in bad faith in opposition or trial by laws concerning well-known and famous trademark protection.
- The USPTO will weigh factors in a likelihood of confusion analysis, including how well known a mark is, bad faith intent, and similarities of the marks and the goods or services, and will consider bad faith in a dilution claim. Bad faith filing of well-known marks may also be addressed through challenges on the grounds of misrepresentation of source under Trademark Act Section 14(3), and refusals or challenges on the basis of a false suggestion of a connection under Trademark Act Section 2(a).
- The OHIM has no individual law related to bad faith on well-known and famous trademarks, however, the extent of distinctiveness of a trademark is a relevant element in the assessment of bad faith.

Actual practices of TM5 offices are as follows on whether facts and situations of the following 1) to 11) can be taken into consideration in judging elements of well-known and famous trademarks.

(1) How do you define the difference between 'well-known', 'famous' and 'reputed' trade marks? Do you have any guideline for approving well-known or famous marks? What kind of evidence is needed to establish the fact or degree of “well-known” or “famous” trademarks?

- The JPO has no definition of “well-known”, “famous” and “renowned” trademarks in the Trademark Act, and judges well-known and famousness, for example, in total consideration of the following facts.

(a) Facts related to using status of the trademark are quantitatively grasped, then extent of recognition of trademark demander is estimated and presence/absence of discrimination is judged according to the range.

- (i) Trademarks and goods or services which are actually used
- (ii) Start time of use, duration of use, areas of use
- (iii) Production, certification or assignment quantity or sales scale (number of

stores, sales areas, sales amount, etc.)

- (iv) Method, frequencies and contents of advertisement
- (v) Publishing frequencies of articles on general newspapers, industry journals, magazines or Internet and their contents
- (vi) Results of questionnaire on demanders' recognition of trademarks

(b) Fact of the above (1) shall be, for example, based on the following evidences and methods.

- (i) Printed materials with advertisements (such as newspaper, magazine, catalog, or leaflet)
- (ii) Invoice check, delivery sheet, order sheet, bill, receipt or commercial book
- (iii) Photos clearly showing use of trademark
- (iv) Written certification of advertising agency, broadcaster, publisher or printer
- (v) Written certification of fellow trader, trader and demander
- (vi) Written certification of official bodies (such as national, local government, foreign embassies in Japan)
- (vii) Articles on general newspapers, industry journals, magazines or internet
- (Viii) Report of result of trademark recognition survey (questionnaire) targeted for demander: However, the objectivity of conductor, conducting method and targeted persons shall be sufficiently taken into consideration for recognition survey (questionnaire) of demander.

- The KIPO has no definition of “well-known,” “famous” and “renowned” trademarks in the Trademark Act. And the Intellectual Property Tribunal (IPT) and patent court require the trademark right owner to submit substantial money amount for evidence of famousness including sales amount, advertisement cost, market share, brand ranking, trademark registration in the world and marketing reference material.
- In the OHIM, independent of any bad faith scenario, a well-known trademark (CTMR8 (2)(c)) or a renowned trade mark (CTMR8(5)) can be used by the trademark right owner to oppose to a CTM application or to apply for the invalidity of a registered CTM (CTMR53(1)(a)).

An earlier well known mark (Article 8(2)(c)CTMR) is a trade mark that is well known in an EU Member State, in the sense in which the words well-known are used in Article 6 bis of the Paris Convention. It can be either registered or non-registered.

As regards a registered trade mark which has a reputation in the EU or a Member State

(Article 8(5) CTMR), reputation ‘implies a certain degree of knowledge of the earlier mark among the public’ and it ‘is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks ... and the earlier mark may consequently be damaged’. The earlier mark must be known by a significant part of the public concerned by the goods or services covered by that trade mark (CJ judgment of 14/09/1999, C-375/97 ‘General Motors’, paras 22, 23).

In practical terms, the threshold for establishing whether a trade mark is well-known or enjoys reputation will usually be the same. Therefore, it will not be unusual for a mark which has acquired well-known character to have also reached the threshold laid down by the Court in *General Motors* for marks with a reputation. The Court of Justice qualified the notions of ‘reputation’ and ‘well-known’ as kindred notions (‘notions voisines’), underlining in this way the substantial overlap and relationship between them.

As regards the approval of mark as a CTM, the CTM system takes account of the recognition in the market through the concept of “distinctiveness acquired through use” (Article 7(3) CTMR), which can overcome some of the absolute grounds for refusal of a CTM application. A trade mark is distinctive in this sense if it is recognised by a sufficiently large part of the relevant public as a mark of one single trader.

- The SAIC takes the following factors into consideration when determining well-known trademarks (Trademark Law, Article 14)
 - (a) the degree of knowledge of the relevant public;
 - (b) the duration of trademark use;
 - (c) the duration, extent and geographical area of any publicity of the trademark;
 - (d) any record of the trademark being protected as a well-known trademark;
 - (e) other factors which makes the trademark well-known.
- Where the holder of a trademark that is well known to the relevant public believes that his rights to the trademark has been infringed, he may request for protection of the trademark as a well-known trademark in accordance with this Law.(Trademark Law, Article 13)
- In the United States, in determining likelihood of confusion under Section 2(d) of the Trademark Act, the TTAB or a court will weigh a number of factors, including how well-known a mark is to the relevant public. However, with regard to dilution, the U.S. requires the trademark to be “famous” and be “widely recognized by general

consumers as a source identifying the mark right owner.” There is no separate standard for something being “renowned” in the U.S.

The TTAB judge uses the following non-exhaustive factors in order to judge whether the mark is well-known or not: degree of distinctiveness, duration and extent of use of mark, duration and extent of advertisement of mark, extent of geographical sales region, sales channels, degree of recognition of the mark in those channels of trade, nature and extent of use of the same or similar mark by the third party, and whether the mark is registered or not.

(2) Could bad faith provisions also apply if the well-known or reputed original mark was registered in the territory in which the bad faith application was made, but had not been used for an extended period of time?

- The JPO potentially refuse any application in bad faith later because of the similarity with the prior well-known of original trademark.
- If well-known or reputation original trademark is registered, the KIPO potentially rejects any application in bad faith later because of the similarity with the prior same trademarks.
- OHIM can potentially reject.
- If any mark is registered with the USPTO and not used for three years in the United States, there is a presumption that the mark has been abandoned; therefore, the registration may be subject to cancellation on grounds of abandonment However, in certain limited circumstances where a mark retains “residual” goodwill after non-use, courts are unlikely to find in favor of a new user whose intent was to confuse consumers by capitalizing on the previous owner’s reputation.
- Where a registered trademark has not been in use for three consecutive years without just cause, any organization or individual may apply to the SAIC for cancellation of such a registered trademark. If well-known trademark is registered in areas where application in bad faith is made, the application will be likely to be refused because of similarity with the well-known trademark.

(3) Do you have any legislation or practice on examination that specifically deals with trademarks that are well known or famous only abroad but are not registered domestically?

- The JPO and KIPO have particular provisions in the Trademark Act to protect trademarks which are not registered in the country but are well-known or famous

only in foreign countries.

- The OHIM, SAIC and the USPTO have no particular law or actual practice related to trademarks which are well-known only overseas.

(4) Regarding well-known and famous trademarks that are known only abroad but are not registered domestically, how is “well-known” or “famous” determined? What evidence is needed to prove that the trademarks are well-known or famous?

- The JPO requires “trademark which is broadly recognized among demanders in foreign country” to be well-known in the country, but does not require it to be well-known in some countries. In addition, JPO does not also require well-known in Japan. Furthermore, any trademark which has been registered as a defensive mark or determined to be broadly recognized among demanders by trial decision or judgment is estimated to be recognized as a “trademark which is broadly recognized among demanders”(refer to the answer of the above 1)).
- The KIPO made a revision to delete the word “easily” in the Trademark Act, Article 7 (1)(xii) on July 1, 2007 to ease the standard of well-known.

And the Intellectual Property Tribunal (IPT) and patent court require the trademark right owner to submit substantial amount for evidence of famousness including sales amount, advertisement cost, market share, brand ranking, trademark registration in the world and marketing reference material. In addition, the Supreme Court of Korea judged that judgment of recognizing well-known status of trademark in foreign country by the court in the country should be respected.

- The OHIM requires the invalidity applicant to show that the CTM owner knew or must have known about the existence of the invalidity applicant’s mark outside the EU. The well-known character of a trade mark may help, depending on the specific circumstances of each case, to prove said knowledge (e.g. owner established or present in the country where the earlier mark is famous). The evidence to be provided will depend, again, on the specific circumstances of the case (e.g., whether the owner is active in the same sector or in a different one), since what has to be proven is not the degree of knowledge of the average consumer but rather the actual knowledge of the CTM owner as such.
- The USPTO has no law which provides protection of a trademark which is well-known or famous only overseas.
- The SAIC takes the following factors into consideration when determining well-known trademarks (Trademark Law, Article 14)
 - (a) the degree of knowledge of the relevant public;

- (b) the duration of trademark use;
- (c) the duration, extent and geographical area of any publicity of the trademark;
- (d) any record of the trademark being protected as a well-known trademark;
- (e) other factors which makes the trademark well-known.

• Where the holder of a trademark that is well known to the relevant public believes that his rights to the trademark has been infringed, he may request for protection of the trademark as a well-known trademark in accordance with this Law.(Trademark Law, Article 13)

(5) Are well-known and famous trademarks protected under other classes or in the area of dissimilar goods and services? (How do you search and examine cross-classes?)

- JPO protects well-known and famous trademarks when there's some concern that sources of goods and services are confused (Trademark Act, Article 4, Paragraph 1, Item 15) or they are used for unfair purpose (Trademark Act, Article 4, Paragraph 1, Item 19), even if they are other classes or dissimilar goods or services. JPO accumulates "well-known and famous trademark list in Japan" in the database for examination to conduct search and examination between the other classes. In addition, the JPO also uses Internet search by examiner and information provided by third party.
- The KIPO protects (notably) well-known marks when a third party's mark would cause confusion as to the (notably) well-known mark's goods and/or business or would do damage to distinctiveness or reputation of (notably) well-known marks (Korean Trademark Act 7(1)10. Further, trademarks that are identical or similar to a trademark that consumers in or out the Republic of Korea recognize as indicating the goods of a particular person, and are used to obtain unjust profits or to inflict harm to a particular person and so on would be rejected and/or invalidated (Korean Trademark Act 7(1)12. If KIPO examiner concludes by search that a mark is a famous and/or well-known, he and/or she conduct a search on other classes.
- In the OHIM, the degree of inherent or acquired distinctiveness enjoyed by the invalidity applicant's sign and by the CTM owner's sign are relevant factors when assessing bad faith. Another of the factors to be taken into account when assessing bad faith is whether the CTM owner knows or must know about the use, in at least one Member State of the EU, of an identical or confusingly similar sign by a third party for identical or similar products or services. A finding of bad faith based on the knowledge of the existence of an earlier sign might also be justified when the CTM was applied for in respect of goods or services which, although dissimilar from those

covered by the invalidity applicant's sign, can be considered as belonging to a neighbouring/adjacent market and thus to an area to which an extension of the invalidity applicant's sign can be reasonably expected. On the other hand, the more removed the goods or services of the CTM are from those in respect of which the invalidity applicant's sign is used, the more unlikely a finding of bad faith would be.

- Trademarks that are well-known or famous in the U.S. may be protected against trademarks for goods or services that are dissimilar, provided there is a likelihood of confusion or dilution. Examiners will search across classes during examination. An examiner may give broader protection to a well-known or famous mark, since the more distinctive or famous a mark is, the more likely a consumer is likely to believe the goods or services come from the same source.
- The SAIC provides protection on non-identical or dissimilar goods/services for well-known trademarks that are registered in China. A trademark that is applied for registration on non-identical or dissimilar goods shall not be registered and its use shall be prohibited, where it is a reproduction, an imitation or a translation, of a well-known trademark which is registered in China, thus misleads the public, and the interests of the registrant of the well-known mark are likely to be damaged by such use. (Paragraph 3 of Article 13)

(6) How does the level of recognition interact with the burden of proof of bad faith?

(e.g. If the mark has a greater degree of recognition, is less proof of bad faith needed? (or vice versa?))

- In the JPO, when applying Article 4, Paragraph 1, Items 10 and 15, bad faith is not a requirement. When Article 4, Paragraph 1, Items 19 is applied, well-known and unfair purpose are related to each other, however, higher well-known does not always mean that the demonstration of the unfair purpose is unnecessary.
- In the KIPO, extent of famousness of well-known/famous trademark is one factor to judge bad faith in application for trademarks. In this regard, the bad-faith is not a factor in applying Korean Trademark Act 7(1)10; however, the bad-faith should be established in applying Trademark Act 7(1)12.
- In the OHIM, extent of recognition which sign of cancellation or invalidity applicant has is just one element when bad faith is examined. Demonstration of such recognition does not relieve complainant from burden of proof related to bad faith in general.
- In the USPTO, when judging likelihood of confusion, the TTAB or courts will

examine many factors including how well-known it is, bad faith intent, and similarities of the marks and relatedness of the goods or services. When judging likelihood of confusion, bad faith and fame are not required. To find likelihood of confusion, the TTAB and courts will weigh the factors and use a sliding scale in application. For example, the more evidence of bad faith, the less evidence needed to establish the relatedness of goods or services and fame of the trademarks accordingly. Similarly, the more evidence of fame of the trademark, the less evidence would be needed to demonstrate bad faith.

- At SAIC, extent of recognition and burden of proof for bad faith are independent elements to be considered in specific cases, subject to the claims of the party concerned.

(7) Would the level of distinctive character of the mark be taken into account? (For example, in cases when the mark is so fanciful that it is highly unlikely for the applicant to come up with an identical or similar mark by chance.)

- The JPO, KIPO and the OHIM take strength of distinctive character of trademark into consideration as one element.
- The USPTO takes the distinctive character of the mark into consideration when judging likelihood of confusion.
- At SAIC, significant originality of trademark is one element to consider in cases.

(8) Would the fact that the mark is identical or similar to other's house-marks be taken into account?

- The JPO and the KIPO takes it into consideration as one element when judging bad faith.
- By OHIM, potentially, yes, if these house-marks of the invalidity applicant are considered to be similar to the CTM registered by the CTM owner.
- The USPTO may take the fact into consideration as circumstantial evidence to support the determination of bad faith again.
- According to Article 32 of the Trademark Law, A trademark application for registration shall not damage the existing prior rights of others. In the trademark registration practice of SAIC, the prior rights that a trademark application may infringe upon include trade name right.

(9) Is there a time limit for claiming that a mark has been registered or is being used in

bad faith where bad faith regarding a well-known or famous mark is concerned?

- No, the JPO, the KIPO (in case of the Korean Trademark Act 7(1) 10 and 7(1)12), the OHIM (after registration).
- In the USPTO, a challenge to a registered mark may be brought on the basis of likelihood of confusion within 5 years of registration. However, if a party can establish fraud or false association, a party may challenge a registration at any point, even beyond 5 years.
- In the SAIC, Where a registration was obtained in bad faith, there is no deadline for the owner of a well-known trademark to declare the invalidation of such a registered trademark.

(10) Is it relevant if the mark that is claimed to have been applied for in bad faith has acquired itself well-known character or reputation in the territory in which it has been registered?

- The JPO grants no period of exclusion for invalidation trial (for trademark registration) based on a bad faith, and the judgment reference time is at times of application and determination, then, even if application and registration based on a bad faith acquire well-known after the registration is determined, (application and registration based on a bad faith) are not influenced by the (well-known) fact.
- To the best of our knowledge, there is no court decision which dealt with this issue. However, the Patent Court (Case No. 2010Heo9255) stated that even if the registrant in bad faith used his mark in dispute, such fact is not enough to deny the bad-faith of registrant (please be advised that the court did not determine whether the mark in dispute acquired reputation by such use).
- In the OHIM, in order to determine whether the CTM owner was acting in bad faith, consideration may be given to the extent of the reputation enjoyed by a sign at the time when the application for its registration as a CTM is filed. The extent of that reputation might justify the CTM owner's interest in ensuring a wider legal protection for his sign (CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase', paras. 51-52).
- In the USPTO, the fame and reputation of a trademark which was applied for in a bad faith are not relevant to an analysis of likelihood of confusion. The fame of the trademark alleged to have been infringed would only be relevant.

(11) Are there other reasons affecting decisions on well-known or famous marks?

- The JPO, the KIPO and the OHIM have nothing in particular.
- In the USPTO, well-known or famous trademarks are given a broad range of

protection or exclusivity of use. The fame of the prior trademark plays an important role in a case of likelihood of confusion featuring famous trademark.

【 4 : Is there any legislation for refusing an unfair application (or invaliding the registration) filed by an attorney?】

- The JPO, the OHIM and the SAIC have laws to reject or invalidate unfair application by agent, but the KIPO has no such law. However, if such an application is considered to be filed under the bad-faith, such as free-ride on the fame of a third party, the application can be rejected.
- The JPO has a law to cancel in appeal trial.
- The OHIM and the SAIC have laws to reject, cancel or invalidate in opposition.
- The SAIC has a law to reject or invalidate during the proceedings of opposition or appeals and trials.
- The USPTO has laws to reject in examination (ex parte), opposition proceedings, or cancellation proceedings if the applicant is not the owner of the mark.
- It is unclear whether the KIPO has such a law or not.

【 5 : Is there any legislation for refusing an application (or invaliding the registration) as bad-faith on the basis of certain factors such as copyrights, rights of publicity, rights to a trade name or other person's name, etc.?】

- In the JPO, any trademark which was composed of, or included name or title of other person and was registered, may be covered by the Trademark Act, Article 4, Paragraph 1, Item 8. In addition, there is the Trademark Act, Article 29 as a provision of adjustment between trademark right and copyright, however, this is a provision that, if trademark right and previously registered other person's copyright conflict with each other, the conflicted part of the registered trademark cannot be used, and is not reason for cancellation and invalidation.
- Trade name, other person's name: according to the Korean Trademark Act 7(1)6, trademark application containing (notably) well-known other person's name or other trade name would be rejected; however, this would not be applied where the consent of the person concerned has been obtained.

Copyright: The TMA, Article 53 stipulates that, "If, for its own registered trademark, the trademark right conflicts with other person's copyright which was granted before application date of the trademark depending on use, the trademark right owner shall not use it without the consent of the trademark right owner." Further, if works of copyright is widely known as source identifier by the merchandising activities, the

works of copyright can be protected by the Trademark Act.

- In the OHIM, this is not a reason to reject a CTM application, but a reason for invalidation/cancellation of a registered CTM (CTMR53(2)), which is different from that of cancellation for bad faith.
- In the SAIC, the Trademark Law, Article 32 has a provision that a trademark application for registration shall not damage the existing prior rights of others “the existing prior rights of others” also include the other rights than trademark, trade name right, copyright, design right, legal name etc.
- In the U.S. there is no legislation for refusing an application or invalidating a registration on bad faith grounds for having violated a copyright, a right of publicity, rights to a trade name or other person’s name. There is no independent ground of refusal based on bad faith. However, it may be possible to object to trademark applications on the grounds noted below. With respect to copyrights and rights of publicity, procedurally it is not possible to refuse an application or file for an opposition or cancellation with the TTAB on the grounds of a copyright or right of publicity (existing under state law). Nevertheless, a party may file a lawsuit in civil court requesting damages, cancellation of a trademark, or ceasing of the use of a trademark, on the basis that a trademark infringes a copyright or right of publicity. Bad faith intent may be considered as part of these proceedings.

While it is not possible in an *ex parte* action for an examiner to refuse an application based on prior trade name rights, it is possible to file an opposition, cancellation or a lawsuit on the basis of these rights. The Board or court would apply a similar analysis as trademark infringement, in which bad faith would be a factor considered in determining likelihood of confusion.

Finally, it is possible for an examiner to refuse registration or a third party to challenge registration under Section 2(a) of the Lanham Act, 15 USC § 1052(a), if a mark falsely suggests a connection with persons, living or dead, institutions, beliefs or national symbols, or brings them into contempt, or disrepute. The following factors would be considered:

- (i) The mark is the same as, or a close approximation of, the name or identity of a person or institution;
- (ii) The mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;

- (iii) The person or institution named by the mark is not connected with the activities performed by applicant under the mark; and
- (iv) The fame or reputation of the person or institution is such that, when the mark is used with the applicant's goods or services, a connection with the person or institution would be presumed.

It is also possible for an examiner *ex-parte* to refuse registration under Section 2(c) of the Trademark Act, 15 U.S.C. §§ 1052(c), if written consent is not provided for a mark comprising a name, portrait, or signature identifying a particular living individual. The purpose of requiring the consent of a living individual to the registration of his or her name, signature, or portrait is to protect rights of privacy and publicity that living persons have in the designations that identify them. Whether consent to registration is required depends on whether the public would recognize and understand the mark as identifying a particular living individual. Specifically, consent is required only if the individual will be associated with the goods or services, because the person is publicly connected with the business in which the mark is used, or is so well known that the public would reasonably assume a connection.

III. Procedure

【 1 : Procedures for Oppositions in Pre-Publication】

- The JPO and the KIPO may accept information provided. Examiner takes the provided information into consideration when making judgment according to the law and examination standard. Further, the KIPO has strengthened its efforts to prevent the bad-faith filing application from registering since August 2013, which means that the bad-faith filing application could be rejected by ex officio examination even without information provided by a third party.
- The OHIM considers bad faith only as a ground for the invalidity of a registered CTM, to be relied on either before OHIM or, by means of a counterclaim, in infringement proceedings. Therefore, bad faith is not relevant in examination or opposition proceedings in relation to a CTM application.
- The USPTO allows a third party to submit a “letter of protest” to the Commissioner’s Office, by which third parties may submit certain evidence for consideration. This evidence usually relates to likelihood of confusion, descriptiveness, or pending litigation (bad faith is not an independent ground for refusal or letter of protest).
- The SAIC has no provision in the Chinese Trademark Act that information is provided to the Trademark Office before initial examination publication of trademark, in other words, before examiner examines substantively. However, the public may reflect the situation in written form to the Trademark Office as a governmental organization, and it can be referred to for operation of the Trademark Office.

【 2 : Integration of Procedures Related to Oppositions or Appeals and Trials】

- Procedures in opposition, cancellation and trial are allowed to be integrated in the TM (Trademark) five offices.

Chapter 3:

Comparison Tables

- **Tables summarizing comparisons of systems and practices in each Office**

Chapter 3: Comparison Tables

Each office's system and practice concerning bad faith filings was compared and summarized in a table.

I. General

	JPO	KIPO	OHIM	SAIC	USPTO
1. Definition of bad faith under the legal system	No definition	No definition	No definition	No definition	No definition
2. Timing when bad faith is taken up	①Examination (by ex officio) ②Opposition, trial ③Counterclaim in national infringement case	①Examination (by ex officio) ②Opposition, trial	①Cancellation after registration ② Counterclaim in national infringement case	①Opposition, trial (invalidation)	①Opposition, trial (cancellation)
3.(1). The earliest stage when bad faith is taken up	Stage of examination	Stage of examination	After registration of mark	Opposition	Opposition
(2). Is there any time limit to claim bad faith ?	No time limit	No time limit	No time limit	5 years, However, no time restriction for owner of famous trademark in China	At onset of a proceeding, or after discovery conducted.
4. What is an important time point when bad faith is legally identified ?	At time of application (also necessary at decision)	At time of application	At time of application	At time of application	At time of application of intent to use application, or at time of adoption of mark
5. Does a subjective element that applicant has an awareness of bad faith relate to judgment	It does	It does	It does	It does	It does
6. Rules on burden of proof (1). Who bears	Opponent Demandant	Opponent Demandant	Cancellation applicant Demandant	Opponent Demandant	Opponent Demandant
(2). Presumption	It is inferred in consideration of circumstantial evidence.	It is inferred in consideration of circumstantial evidence.	Good faith is presumed unless cancellation applicant/demandant	Bad faith is inferred by some factual actions.	Bad faith may be considered as a factor in a likelihood of confusion analysis.
7. Existence of checklist for establishing bad faith	Not exist	Not exist (There are a certain guidelines.)	Not exist	Not exist	Not exist

II. Details

	JPO	KIPO	OHIM	SAIC	USPTO
1. From The View of “Intent to Use”					
Does lack of intention of use become a reason for rejection or invalidation ?	Yes It is possible to refuse or invalidate regardless of bad faith if there is no intention of use.	Yes It is possible to refuse or invalidate regardless of bad faith if there is no intention of use.	No However, an indication of dishonest intention could be, if becomes apparent, subsequently, that sole objective of owner was to prevent third party from entering the market (CJ judgment C-529/07 of 11 June 2009, “Lindt Goldhase”, Item 44).	No (There’s no provision to exclude application with no intention of use.)	Yes A verified statement of bona fide intent to use must be filed. Examiner will not evaluate intent and will not make an inquiry unless evidence of record clearly indicates that the applicant does not have a bona fide intention to use the mark in commerce. May be challenged by third party.
i) Text	Principal Paragraph of Article 3(1)	Article 3	Article 52(1)(b)	Not applicable	Article 1 (b) Article 44 Article 66(a)
ii)At time of judgment standard	At time of decision	At time of decision	Assessment whether bad faith was present back when registered mark was applied for	Not applicable	At time of application
iii)Examination by ex officio or opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	Cancellation (invalidity) trial	Not applicable	(1)Examination if no verified statement of intention to use is filed (2)Opposition, trial (cancellation)
iv)Burden of proof	(1)(2)Applicant, right owner	(1)(2)Applicant, right owner	Party claiming that other side was in bad faith, i.e. invalidity applicant	Not applicable	(1)Not applicable to examination (2)Opponent, Petitioner

	JPO	KIPO	OHIM	SAIC	USPTO
v)Examination standard	Trademark Examination Guideline, Principal Paragraph of Article 3(1)	Trademark Examination Guideline Article 42-2	Guidelines for examination, Part D, Section 2, Sub-heading 3.3	Not applicable	TMEP818 (Article1(b) or Article 44) TMEP1904.01(c) (Article 66(a))
vi)Specific judgment method					
Example 1) Evidence demonstrating use in cancellation for non-use	Documents allowing to clearly confirm trademark user, using products, using trademark and use period (such as catalog, newspaper advertisements) (Article 50)	Evidential materials showing that a mark, which is substantially identical to the registered one, has been used on goods/services, which are also substantially identical to the goods/service of registered mark within 3 years from the date when a cancellation action is filed.	Cancellation of registered mark for non-use is separate action (not bad faith related), which can be raised at end of 5 year grace period (CTMR, 51(1)(a)). Bad faith cancellation challenge cannot be based on non-use as such as there is no requirement of intention to use. However, an indication of dishonest intention could be, if it becomes apparent, subsequently, that sole objective of owner was to prevent third party from entering the market.	Cancellation of registered mark for non-use is separate action (not bad faith related), which can be raised 3 years after registration of a trademark.	Elements taken into consideration for bona fide use of mark in the ordinary course of trade: <ul style="list-style-type: none"> • Amount of use • Nature or quality of trade • Typical use in particular industry • Any other probative facts
Example 2) Whether the following facts and situations ((1)~(7)) are taken into consideration when intention of use of trademark is judged					
(1)Applicant designates a broad range of goods and services.	Principal Paragraph of Article 3(1) is applied as there's a rational doubt in use of trademark or its use intention.	The examiner can consider that there is a rational doubt about whether an applicant has used a mark or had a intention to use.	Intention to use not required by CTM system. No bad faith based on the length of the list of goods and services designated .	No answer	It is necessary to submit a verified statement of intention to use each good or service. May be refused if no statement is filed, see answer above.

	JPO	KIPO	OHIM	SAIC	USPTO
(2)Applicant applied for a large number of unregistered trademarks of other person.	There's a judgment that applicant was not identified to use the trademark or to have any intention to use. "RC TAVERN" case judgment (Intellectual Property High Court, 2012 (Gyo Ke) No. 10019)	(Article 42-2, Trademark Examination Guideline) When a KIPO examiner has a doubt that the application was filed for the purpose of prior occupation and/or interfering with a third party's trademark registration without the intention of use, the examiner can issue a provisional refusal. In this case, the examiner can presume the subjective intention such as prior occupation by referring to not only the pertinent application, but also the history of the applicant's trademark applications and/or registration and/or the scope of the applicant's current business.	Intention to use not required by CTM system. However, large number of applications for trade marks of others can be a strong indication that owner of registered CTM had dishonest intention when applying for it.	An element to be considered in bad faith.	An examiner will not evaluate the good faith intention to use. Third party may challenge based on lack of intent to use in good faith. Judges have found pattern of filing for other's parties marks shows lack of intent to use.
(3)Individual person applied for goods and services which required large scale facilities such as general merchandise store.	Principal Paragraph of Article 3(1) is applied as there's a rational doubt in use of trademark or its use intention.	(Article 42-2, Trademark Examination Guideline) A KIPO examiner can issue a provisional refusal. In this case, the examiner should consider the nature of goods/services, market situation, etc. as a whole; however, the examiner should not regard the scope of the possible business conducted by individual person too narrowly.	Intention to use not required by CTM system. However, an indication of dishonest intention could be, if it becomes apparent, subsequently, that sole objective of owner was to prevent third party from entering the market.	No answer	An examiner will not evaluate the good faith intention to use. There's a case example that lack of intention of use in good faith was identified (HONDA case).

	JPO	KIPO	OHIM	SAIC	USPTO
(4)When services etc. prohibited by laws are designated	Principal Paragraph of Article 3(1) is applied as there's a rational doubt in use of trademark or its use intention.	(Article 42-2, Trademark Examination Guideline) A KIPO examiner can issue a provisional refusal on a condition that an individual files an application for more than two non-closely related services such as hospital services and legal services, for which law requires licenses.	Intention to use not required by CTM system. However, an indication of dishonest intention could be, if it becomes apparent, subsequently, that sole objective of owner was to prevent third party from entering the market.	No answer	This may be a factor to support lack of intention to use in good faith.
(5)When intention to interfere with market is clear	This may be a factor to be taken into consideration.	The intention of market interference can be considered to determine whether there is bad-faith or not on the condition that the intention of market interference includes filing a trademark application for the purpose of prior occupation and/or interfering with a third party's trademark registration without the intention of use.	Intention to use not required by CTM system. However, an indication of dishonest intention could be, if it becomes apparent, subsequently, that sole objective of owner was to prevent third party from entering the market.	No answer	This may be a factor to support lack of intention to use in good faith.

	JPO	KIPO	OHIM	SAIC	USPTO
(6)When trademark registration was cancelled due to non-use	Insufficient to identify bad faith.	Insufficient to identify bad faith.	Insufficient, in itself, to find for bad faith.	Insufficient to identify bad faith.	Insufficient to identify bad faith.
(7)Others	Nothing, in particular	Nothing, in particular	Repetition of application of same mark to prevent cancellation for non-use may suggest dishonest intention of CTM owner.	(1)-(6)are totally condidered together with other elements to identify bad-faith	Each case is fact specific, and a judge would weigh evidence carefully.
vii)Examination example, decision example, judgment example	There's "RC TAVERN" case judgment (Intellectual Property High Court, 2012 (Gyo Ke) No. 10019).	istar logitics case (Case No. 2010Heo4397, rendered by the Patent Court on Oct. 7, 2010)	There are, inter alia, the following judgments. •「Lindt Goldhase」(CJ judgment of 11/06/2009, C-529/07) •「Pollo Tropical CHICKEN ON THE GRILL」(GC judgment of 01/02/2012, T-291/09) •「BIGAB」(GC judgment of 14/02/2012, T-33/11) •「Pelikan」(GC judgment of 13/02/2012, T-136/11)	Not applicable	The following are some examples of judgments. •Honda Motor Co. , Ltd. Versus Friedrich Winkelmann, 90USPQ2d1660 (TTAB2009) •Nintendo of America Versus Adar Golad, Opposition No.91178130,2011WL2360099 (TTABMay 31,2011) [not precendential]

	JPO	KIPO	OHIM	SAIC	USPTO
2. From The View of “Unfair Intention”.					
Is there any legislation for refusing an application (or invalidating the registration) on the basis of unfair intention?	Yes	Yes	Dishonest intention of CTM owner is an element of particular relevance in the overall assessment.	Yes	Bad faith is an element to consider in a likelihood of confusion analysis. Bad faith may also be considered in a claim of misrepresentation of source claim under Section 14(3).
i) Text	Article 4(1)(xix) Article 4(1)(vii)	Article 7(1)(xii) Article 7(1)(xviii) Article 23(1)(iii)	Article 52(1)(b)	Article 32	Case law (In re E.I.DuPont DeNemours & Co., 476 F.2d 1357 (CCPA 1973); Polaroid Corp. v. Polarad Elecs.Corp., 287 F.2d 492(2d Cir. 1961)
ii)At time of judgment standard	At time of decision (Article 4(1)(vii)) At time of application and decision (Article 4(1)(xix))	At time of application [Article 7(1)(xii)] At time of decision [Article 7(1)(xviii) and 23(1)(iii)]	Assessment whether bad faith was present back when registered mark was applied for	At time of application	At time of application
iii)Examination by ex officio or opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial Article 23(1)(iii) shall apply only where an opposition has been filed by the owner, or information has been provided	Cancellation (invalidity) trial	Opposition, trial	Opposition, trial for cancellation
iv)Burden of proof	Burden of proof is on the side who insist on unfair purpose.	Burden of proof is on the side to insist on unfair purpose.	Party claiming that other side was in bad faith, i.e. invalidity applicant	Burden of proof is on the side who insist on unfair purpose.	Party claiming bad faith Once burden established, shifts to Applicant or registrant.

	JPO	KIPO	OHIM	SAIC	USPTO
v)Examination standard	Trademark Examination Guideline, Article 4(1)(vii) and (xix)	There are some standards. (Article 26 and Article 42)	Guidelines for examination, Part D, Section 2, Sub-heading 3.3	There are some standards.	No standard
vi)Specific judgment method					
Whether the following facts and situations ((1)~(5)) may be taken into consideration to judge unfair purpose of trademark					
(1)Business cooperation and some relations such as purchase request	This is taken into consideration when a bad faith is identified.	A relation between applicant and trademark right owner is one element to identify bad faith.	A relationship between the parties before application is one relevant element when assessing bad faith. Compensation request, in itself, and in the absence of other factors, does not establish bad faith.	This is one element to identify a bad faith.	This is taken into consideration when assessing bad faith.
(2)Applicant designates a broad range of goods and services.	This is taken into consideration when a bad faith is identified.	One element to identify a bad faith according to the judgment (Case No. 2007Heo2626)	No bad faith based on the length of the list of goods and services designated .	No answer	This may be evidence of bad faith or lack of bona fide intent to use.

	JPO	KIPO	OHIM	SAIC	USPTO
(3)Applicant applied for a large number of unregistered trademarks of other person.	This is taken into consideration when a bad faith is identified.	This may be one element when the Patent Court identifies a bad faith.	A large number of applications for trade marks of others can be a strong indication that owner of registered CTM had dishonest intention when applying for it.	This is one element to identify a bad faith.	This may be an evidence of bad faith.
(4)Others	<ul style="list-style-type: none"> • Well-Known of other person's trademark • Creativity of well-known trademark • Preparation state of business of well-known trademark owner • Concern to impair credibility, reputation and customer attraction of well-known trademark 	<ul style="list-style-type: none"> • Famousness of well-known and famous trademark • Creativity of well-known trademark • Preparation state of business of applicant • Whether designated goods and services are same or similar, or presence/absence of economic relation 	<p>Repetition of application of same mark to prevent cancellation for non-use may suggest dishonest intention of CTM owner.</p>	<ul style="list-style-type: none"> • Commonality of sales route of goods and services and business areas of both of applicant and right owner • Presence/absence of previous other dispute between applicant and trademark right owner • Presence/absence of recognition of prior user's trademark • Presence/absence of previous exchange of (organizational) internal personnel between applicant and trademark right owner of dispute trademark • Presence/absence of whether applicant of trademark has a purpose to obtain unjust profit after registration • Advertisement causing misunderstanding • Presence/absence of strong creativity by other person's trademark 	<p>The TTAB or a court has broad discretion to consider any number of factors that could provide circumstantial evidence of bad faith, such as bad faith in disclosure of evidence during discovery.</p>

	JPO	KIPO	OHIM	SAIC	USPTO
(5)Is any relationship between the original owner of the trademark and applicant required?	This is not essential, but taken into consideration when unfair purpose is identified.	This is not necessary, but if there's any relation between the both, a bad faith may be highly recognized.	This is not a condition for a finding of bad faith, but a relevant factor to be taken into consideration in the assessment	One factor to identify a bad faith.	This is not a requirement, but may be a factor to consider in determining bad faith.
vii)Examination example, decision example, judgment example	<p>There are the following judgments.</p> <ul style="list-style-type: none"> • Asrock case (Intellectual Property High Court, 2009 (Gyo Ke) No. 10297) • KYOKUSHIN case (Intellectual Property High Court, 2008 (Gyo Ke) No. 10032) • DUCERAM case (1998 (Gyo Ke) No. 185) • Kranzle case (2005 (Gyo Ke) No. 10668) 	<p>There is the following judgment.</p> <ul style="list-style-type: none"> • 「TOM & JERRY」(Case No. 2007Heo2626) • 「LVY」(Case No. 2013Hu2484) • 「BarbieQueen」(Case No. 2013Hu1986) 	<p>There are, inter alia, the following judgments.</p> <ul style="list-style-type: none"> • 「Lindt Goldhase」(CJ judgment of 11/06/2009, C-529/07) • 「Pollo Tropical CHICKEN ON THE GRILL」(GC judgment of 01/02/2012, T-291/09) • 「BIGAB」(GC judgment of 14/02/2012, T-33/11) • 「Pelikan」(GC judgment of 13/02/2012, T-136/11) 	<p>There are the following judgments.</p> <p>①“黒面蔡” Trademark opposition case (No. 1611206)</p> <p>②KUREYON Shinchan Figure trademark dispute case (No. 1033444)</p> <p>③“ERE” Trademark opposition case (No. 4809737)</p>	<p>There are the following examples:</p> <ul style="list-style-type: none"> • Estrada v. Telefonos de Mexico, 447F.App'x197 (Fed.Cir.2011) • Carr v. Garnes, Opposition No.91171220,2010WL4780321 (TTAB Nov. 8, 2010 [not precedential])

	JPO	KIPO	OHIM	SAIC	USPTO
3. From The View of “Protecting Well-Known/Famous”					
Are trademark application in bad faith rejected or invalidate by protection of well-known and famous trademarks?	Yes	Yes	There’s no separate law. But, level of distinctiveness, reputation of mark of cancellation (invalidity) applicant and CTM right owner is taken into consideration when bad faith is identified.	Yes	Yes
i)Text	Article 4(1)(x) Article 4(1)(xv) Article 4(1)(xix)	Article 7 (1)(xii)	Article 52 (1)(b)	Article 13	False Association : Article 2(a) Article 43 (a) Likelihood of confusion : Article 2(d) Dilution : Article 43 (C) Misrepresentation of Source 14(3)
ii)At time of judgment standard	At time of application and decision	At time of application	Assessment whether bad faith was present back when registered mark was applied for	At time of application	At time of application
iii)Examination by ex officio or opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	Cancellation (invalidity) trial	Opposition, trial	Trial for opposition and cancellation

	JPO	KIPO	OHIM	SAIC	USPTO
iv)Burden of proof	Burden of proof is on the side to claim that the application falls under Article 4(1)(x), (xv) or (xix).	Burden of proof is on the right owner of well-known and famous trademark.	Party claiming that other side was in bad faith, i.e. invalidity applicant	Burden of proof is on the right owner of trademark.	Opposer, challenger Trial demandant (Challenger)
v)Examination standard	Trademark Examination Guideline, Article 4(1)(x),(xv) and (xix).	There are some standards. (Section26)	Guidelines for examination, Part D, Section 2, Sub-heading 3.3	Trademark Law, Article 14 Regulations for the Implementation of the Trademark Law, Article 3	No standard
vi)Specific judgment method					
Whether the following facts and situations ((1)~(11)) are taken into consideration in judging elements of well-known and famous trademarks.					
(1)Definitions of “well-known”, “famous” and “reputation” Standard and evidence of well-known famousness	<ul style="list-style-type: none"> •No definition of each phrase •For “well-known” and “famous”, facts of advertisement activities and trademark use period are totally taken into consideration. 	<ul style="list-style-type: none"> •No definition of each phrase •For “well-known” and “famous”, facts of advertisement activities and trademark use period are totally taken into consideration. 	<ul style="list-style-type: none"> •“Well-known” (CTMR 8(2)(c)) is same as Paris, Article 6 bis. "Reputation" (CTMR 8(5)). •Kindred notions. Threshold for establishing "well-known character" or "reputation" is, in practical terms, usually the same. •Level of distinctiveness, reputation is taken into consideration when bad faith is assessed, but is not a prerequisite for a finding of bad faith. 	It is stipulated that facts of advertisement activities and trademark use period are totally taken into consideration on examination standard.	<ul style="list-style-type: none"> • “Well-known” is identified when likelihood of confusion is judged. “Famous” is identified when dilution is judged (widely recognized by general consuming public). • There’s no specific standard of “Reputation” • For “well-known”, among other factors, advertisement activities and trademark use period are taken into consideration

	JPO	KIPO	OHIM	SAIC	USPTO
(2) If well-known trademark is registered in areas where application in bad faith is made, but is not used for some periods, are some provisions of bad faith applied ?	May be refused due to similarity with original trademark.	May be refused due to similarity with original trademark.	Potentially yes; see GC judgment of 8 May 2014, T-327/12, "Simca"	Likely to be refused due to similarity with original trademark	If any mark is registered with the USPTO and not used for three years in the United States, there is a presumption that the mark has been abandoned; therefore, the registration may be subject to cancellation on grounds of abandonment. However, in certain limited circumstances where a mark retains "residual" goodwill after non-use, courts are unlikely to find in favor of a new user whose intent was to confuse consumers by capitalizing on the previous owner's reputation.
(3) Laws for trademarks which are well-known and famous only in foreign countries	Article 4(1)(xix)	Article 7(1)(xii)	No specific law for foreign famous marks.	No laws	No law or no practice
(4) Judgment and evidence of "Well-known" and "famous" of trademarks which are well-known and famous only in foreign countries	Trademark Examination Guideline, Article 4(1)(xix)	<ul style="list-style-type: none"> Article 7 (1)(xii) was revised ("easily" is deleted) and the standard of famousness was relaxed. There's a decision by Supreme Court that judgment to recognize famousness of trademark in foreign country should be respected (case No. 2008Hu3131) 	It is necessary for cancellation (invalidity) applicant to demonstrate that CTM right owner knew or must have known about the existence of the cancellation applicant's mark outside the EU. "Well-known" character may help to establish this, depending on the specific circumstances of the case.	No laws	No law or no practice

	JPO	KIPO	OHIM	SAIC	USPTO
(5) Do well-known and famous trademarks protect up to non-similar goods and services ?	They are protected if any likelihood of confusion (Article 4(1)(xv)) or unfair purpose (Article 4(1)(xix)) are recognized.	There are some cases in which well-known and famous trademarks are protected up to non-similar goods and services, such as 「LVY」 (Case No. 2013Hu2484) or 「BarbieQueen」 (Case No. 2013Hu1986)	In addition to the situation of similar or identical goods and services, a finding of bad faith may also be justified if the CTM was applied for in respect of goods and services, which, although dissimilar, belong to a neighbouring market.	Yes.Paragraph 3 of Article 13 provides protection on non-identical or dissimilar goods/services for well-known trademarks that are registered in China.	Under Section 2(d), protected if there is a likelihood of confusion. The higher the fame, the higher the likelihood of confusion. Under dilution, there may be tarnishment or dilution if no similarity of goods or services.
(6) Co-relation between extent of recognition of trademark and burden of proof in bad faith	<ul style="list-style-type: none"> •Bad faith unnecessary (Article 4(1)(x),(xv)) •There's any relation between well-known and unfair purpose (necessary to prove unfair purpose) (Article 4(1)(xix)) 	Extent of famousness of trademark is one element to evaluate bad faith.	Extent of recognition of mark is just one element in the assessment. Proving recognition does not relieve the cancellation (invalidity) applicant of his burden of proof as regards bad faith in general.	Together with other elements,depending on the claim	To determine likelihood of confusion, bad faith or fame is not necessary. But if present, both are factors a judge will weigh in a likelihood of confusion analysis.
(7) Level of distinctive character of trademark (such as coined word)	One element to take into consideration when likelihood of confusion or bad faith is judged	One element to evaluate a bad faith	One element in the evaluation of bad faith.	One element to consider	Taken in consideration when the likelihood of confusion is determined, and becomes circumstantial evidence when judging bad faith.
(8) When identical or similar to house mark of other person	This is one element to take into consideration when bad faith is identified.	This is one element to take into consideration when bad faith is identified.	One element that might be taken into consideration in the evaluation of bad faith.	No answer	Possible to be an element of consideration when determining bad faith.
(9) Presence/absence of exclusion period to claim bad faith	No period	No period	No period	5 years, but no time restriction for well-known trademark.	A likelihood of confusion claim, with an assertion of bad faith, may be brought within 5 years of registration. There is no time limit for a claim brought on fraud or false association.

	JPO	KIPO	OHIM	SAIC	USPTO
(10)If a mark which is claimed to be applied in a bad faith acquires well-known characteristic or reputation, is there any relation ?	No Time of judgment standard is time of decision or trial decision, therefore, if well-known or reputation is later acquired, there's no relation with invalidation trial request.	Yes WARAWARA case (Case No. 2012Hu672) cited	Yes	No answer	No, the fame of the trademark that is alleged to have been filed in bad faith is not relevant.
(11)Other reasons	No reason	No reason	No reason	No reason	Fame of prior trademark plays a dominant role in a case of likelihood of confusion.
vii) Examination example, decision example, judgment example	There are the following judgments. 4-1-10 case example •Computer world judgment (Tokyo Supreme Court 1991 (Gyo Ke) No. 29) 4-1-15 case example •L' Air du Temps judgment (Supreme Court 1998 (Gyo Hi) No. 85) 4-1-19 case example •iOffice 2000 judgment (Tokyo Supreme Court 2001 (Gyo Ke) No. 205) •S design judgment (Intellectual High Court 2009 (Gyo Ke) No. 10220) •MARIE FRANCE trial decision (1995 Trial No. 25958) •M.A.C•MAKEUP ART COLLECTION Opposition decision (1998 Opposition No. 92239)	There is the following judgment. •「TOM & JERRY」(Case No. 2007Heo2626) •「LVY」(Case No. 2013Hu2484) •「BarbieQueen」(Case No. 2013Hu1986)	There is, inter alia, the following judgment. •「Lindt Goldhase」(CJ judgment C-529/07 of June 11, 2009)	There are the following judgments. ② 「金灶」 (金竈) Trademark opposition case (No. 4481864) ② 「雅虎YAHOO」 Trademark opposition re-examination (rejection decision dissatisfaction trial) case (No. 1649903) ③ “神州三号” Trademark opposition case (No. 3217926)	The following is one example: •L'Oreal S.A. v. Marcon, 102USPQ2d1434 (TTAB2012)

	JPO	KIPO	OHIM	SAIC	USPTO
4. Unfair Application filed by Agent or Representative					
Is there any legislation for refusing an unfair application (or invalidating the registration) filed by agent or representative (related to Article 6 section of the Paris convention)	Yes	KIPO has no such a law. However, if such an application is considered to be filed under the bad-faith, such as free-ride on the fame of a third party, the application can be rejected.	Yes	Yes	Yes
i)Text	Article 53 -2		Article 8 (3) CTMR Article 53(1)(b) CTMR	Article 15	Article 1 (a)(1), Article 1(b), Article 44, 37 C.F.R. Section 11.18
ii)At time of judgment standard	At time of application and decision		At time of application	At time of application	Application date
iii)Examination by ex officio or opposition, trial	Cancellation trial	—	①Opposition against application ②Cancellation/Invalidity against registered mark	Opposition or trial	①Examination (ex parte) if ownership contradicted in the record. ②Opposition or cancellation

	JPO	KIPO	OHIM	SAIC	USPTO
iv)Burden of proof	Burden of proof is in principle on demandant.	—	Opponent or invalidity applicant. For "negative facts", burden of proof reversed, e.g. agent to prove that he had owners consent	Burden of proof is on trademark right owner. (Opponent, demandant)	Opponent, demandant
v)Examination standard	No standard	—	Guidelines for examination, Part C, Section 3	There are some standards	TMEP1201.06(a)
vi)Specific judgment method	See vii)	—	See OHIM Guidelines for examination, Part C, Section 3	Refer to the examination standard in v)	See TMEP1201.06(a)
vii)Examination example, decision example, judgment example	There is the following judgment. •Chromax case	—	See OHIM Guidelines for examination, Part C, Section 3	There are the following judgments. ②「BRUNO MANETTI」 Trademark opposition case (No. 3083605) ②“头包西灵Toubaoxilin” Trademark opposition case (No. 3304260) ③“安盟SecurID” Trademark opposition re-examination (No.	The following is one example. •Lipman v. Dickinson, 174F.3d 1363,1372 (Fed.Cir.1999)

	JPO	KIPO	OHIM	SAIC	USPTO
5. From The View of The Relationship with Other Rights					
Is there any legislation for refusing an application (or invaliding the registration) as bad-faith on the basis of certain factors? (such as copyright)	•Name of other person	No	<ul style="list-style-type: none"> •Reasons for invalidity/cancellation (CTMR 53(2)) •Different invalidity ground from that of bad faith (CTMR 52(1)(b)) 	Yes	Copyright or right of publicity: not a ground for opposition or cancellation; party may file a civil lawsuit on grounds of copyright infringement or right of publicity; trade name:possible to file an opposition, cancellation, or lawsuit; Right to a name or likeness (false association): ex parte, opposition, cancellation. Refusal ex parte if name of a living individual and no consent provided.
i)Text	Article 4(1)(viii) (Reference) Article 29	Article 7(1)6 (Reference) Article 53	Article 53 (2) CTMR	Article 32	Article 2(a) Article 2(c)
ii)At time of judgment standard	At time of application and decision	At time of application	In principle, any time after registration of the CTM.	At time of application	Application date
iii)Examination by ex officio or opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	(1)Examination (by ex officio) (2)Opposition, trial	Invalidity/cancellation action	Opposition, trial	(1)Examination (ex parte) (2)Opposition, cancellation
iv)Burden of proof	Burden of proof is on the side who claims that the application falls under the Article 4(1)(viii).	Burden of proof is on the rightful owner of well-known and famous works of copyright, person's name and trade name	Invalidity applicant	Burden of proof is on the side of trademark right owner.	(1)Examiner (2)Demandant

	JPO	KIPO	OHIM	SAIC	USPTO
v)Examination standard	Trademark Examination Guideline, Article 4(1)(viii)	Trademark Examination Guideline Article 20	Guidelines for examination, Part D, Section 2, Sub-heading 4.3 on Article 53(2) CTMR	There's a standard in Article 32.	See above TMEP Setion 813, TMEP Section 1203.03(c).
vi))Specific judgment method	See v)	Same as above	Guidelines for examination, Part D, Section 2, Sub-heading 4.3 on Article 53(2) CTMR	See the answer in v)	Same as above
vii)Examination example, decision example, judgment example	There is the following judgment. •SONYAN case	There is the following judgment. •「2NE1」 (Case No. 2012Hu1033) •「KT」 (Case No. 2009Heo1705)	Guidelines for examination, Part D, Section 2, Sub-heading 4.3 on Article 53(2) CTMR	There are the following judgments. ①「季世家1915」 FigureTrademark opposition case (No. 7968391) ②“Figure”Trademark opposition case (No. 1563706) ③「洪河」 Trademark opposition case (No. 1965652) ④「余進華Y U J I N H U A」 Trademark opposition case (No. 3266232) ⑤FigureTrademark opposition case (No. 3308372) ⑥「易建联」商標係争案件 (No. 3517447) ⑦Figure商標異議復審案件 (No. 1004698)	The following are case examples. •In re Richard M. Hoefflin, 97USPQ2d 1174(TTAB2010) •In re Jackson Int'l Trading Co., 103USPQ2d 1417 (TTAB2012)
6. Any other views except for 1.- 5.					
Viewpoints other than the above	None	—	None	None	None

	JPO	KIPO	OHIM	SAIC	USPTO
III. Procedures					
	JPO	KIPO	OHIM	SAIC	USPTO
1. Information submission system					
i) Means that any person other than an applicant offers information to an examiner	Information provision system (Trademark Act, Ordinance, Article 19)	Allowed to offer information and oppose.	Bad faith is a reason for invalidity and not related to procedure for examination or opposition (except for specific opposition rules against mark registered by an agent of the owner without owner's consent, Article 8(3) CTMR).	There's no provision to offer information. However, it is allowed to submit documents.	"Letter of protest" may be submitted. If accepted, it will be forwarded to examiner.
ii) Handling of Information by an examiner	Reasons for refusal may be noticed based on information providing fact.	Reasons for refusal may be noticed based on information offering fact. Further, KIPO has strengthened its efforts to prevent the bad-faith filing application from being registered since August 2013, indicating that the bad-faith filing application could be rejected by ex officio examination even without information provided by a third party.	Same as above	It can be referred as work of the Trademark office, however, reception of this kind of document is not a legal procedure.	There's no provision to offer information. However, it is possible to submit documents. "Letter of protest" is unofficial procedure. It may be taken into consideration at discretion of examiner.
2. Integration of procedures in opposition, trial	They are integrated (Patent Act, Article 154(1) shall apply to Trademark Act, Article 56(1), and Article 43-10(1))	They are integrated (Trademark Act, 77-23)	They may be treated as related cases.	They are integrated.	They are integrated.

	JPO	KIPO	OHIM	SAIC	USPTO
--	-----	------	------	------	-------

IV. Others

	JPO	KIPO	OHIM	SAIC	USPTO
Other special instructions	No other special instruction	No answer	No other special instruction	No answer	<ul style="list-style-type: none"> • Judgment by default Refer to Trademark Trial Appeal Board Manual (TBMP) Article 312.01 • Suspension of application pending resolution of opposition or cancellation. 37C.F.R. Article 2.83(c). In re Direct Access Communications(M.C.G)Inc,30 USPQ2d 1393(Comer Pats.1993)

<Appendix>

- **Questionnaire**
- **Responses of each Office to the Questionnaire**
- **Materials of the the Second TM5 Seminar on Bad-faith
Trademark Filings
(Presentation materials of each office)**

Questionnaire on TM5 Bad Faith Filing Project

I. General questions:

Q1. Is there a definition of “bad faith” in your legal system (either by legislative instruments or through case-law)?

Q2. Is bad faith raised ex-officio or upon a party's claim/objection? (where the answer can depend on different case constellations, please refer to the detailed questions in (iii) of II. Q1 ~ Q5 of the questionnaire)

Q3. What is the earliest moment within your system that 'bad faith' can be claimed? What is the latest? (i.e. are there time limits for claiming bad faith).

Q4. What is the crucial moment at which the 'bad faith applicant' must have had bad faith to fall foul of the provisions. (e.g. filing date, final decision by examiner etc)? (where the answer can depend on different case constellations, please refer to the detailed questions in (ii) of II. Q1 ~ Q5 of the questionnaire)

Q5. Is the subjective state of mind of the 'bad faith' applicant relevant in the assessment of bad faith, i.e. is there a subjective element which is being assessed and, if so, how does the examiner deduce that this subjective element exists in a given case?

Q6. Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)? (where the answer can depend on different case constellations, please refer to the detailed questions in (iv) of II. Q1 ~ Q5 of the questionnaire)

Q7. Is there a defined list of conditions ('check-list') according to which 'bad faith' is established?

II. Laws/Regulations and Examination Guidelines/Practices in TM5 Partner Offices, which Deal with Bad Faith Filings

[JPO comment] The JPO assumed the following five view points which might be applicable to bad faith filings. We welcome your opinion/ input on these categories.

Please provide any relevant article(s) in laws, regulations, examination guidelines, examination practices, giving specific examples such as examples of examinations, trial decisions, court decisions, etc.

Q1. From The View of “Intent to Use”

Can a filing be refused (or invalidated) for “bad faith” based on the absence of “actual use” or lack of “intent to use” the trademark at the time the application is filed? (Yes/No)

IF YES:

- i) Please provide any provision(s) of the relevant laws or regulations.
- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).
- iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?
- iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?
- v) Please provide examination guidelines.
- vi) Please provide examination practices.

For example, if a (bad faith) registration is challenged on the basis of non-use, what evidence would be required to prove actual use (is bona fide use in the ordinary course of trade necessary, i.e., whatever use is normal and ordinary in that type of business)?

For example, how are the following facts or circumstances considered, in regard to “Intent to use”?

For example, could applicants be required to submit evidence of intent to use?

- In cases when applicants designate a wide variety of classes or a large number of goods or services
- In cases when applicants file a large number of applications to register the trademarks of others
- In cases when persons (natural persons) designate goods or services that require large-scale equipment or investment. (Example: general retail services).
- In cases when it is clear that applicants will not carry out their businesses in connection with designated goods or services because the scope of the applicants’ businesses are legally limited, or because persons executing businesses connected with the designated goods or designated services are

legally restricted. (Example: agencies for legal procedures relating to lawsuits or other legal issues).

- In cases when it is obvious that the filing is done under the intent to block entry into the market by others.

- In cases where the mark they registered (allegedly in bad faith) is subsequently revoked for non-use?

- Are there other reasons affecting decisions on “Intent to use”?

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

Q2. From The View of “Unfair Intention” Except for Q1

Is there any legislation for refusing an application (or invalidating the registration) on the basis of unfair intention, except for cases that fall under Q1? (Yes/No)

IF YES:

i) Please provide provision(s) of the relevant laws or regulations.

ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

v) Please provide examination guidelines.

vi) Please provide examination practices.

For example, how are the following facts or circumstances considered, in regard to unfair intension?

- Applicants’ actions or facts involved with filing, such as business partnerships, prior business contacts, demands to buy filed or already registered trademarks, etc. In addition, does it make a difference if the demand for compensation is disproportionately high?

- In cases when applicants designate a wide variety of classes or a large number of goods or services

- In cases when applicants file a large number of applications for trademarks of others

- Are there other reasons affecting decisions on unfair intensions?

- Is any relationship between the original owner of the trademark and the applicant required?

- vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

Q3. From The View of “Protecting Well-Known/Famous”

Can a bad-faith filing be refused (or invalidated) based on legislation for well-known/famous marks, including protection against trademark dilution? (Yes/No)

IF YES:

- i) Please provide provision(s) of the relevant laws or regulations.
- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.)..
- iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?
- iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?
- v) Please provide examination guidelines.
- vi) Please provide examination practices.

For example, please explain the practical steps and how to evaluate the following points.

- How do you define the difference between 'well-known', 'famous' and 'reputed' trade marks? Do you have any guideline for approving well-known or famous marks? What kind of evidence is needed to establish the fact or degree of “well-known” or “famous” trademarks?
- Could bad faith provisions also apply if the well-known or reputed original mark was registered in the territory in which the bad faith application was made, but had not been used for an extended period of time?
- Do you have any legislation or practice on examination that specifically deals with trademarks that are well known or famous only abroad but are not registered domestically?
- Regarding well-known and famous trademarks that are known only abroad but are not registered domestically, how is “well-known” or “famous” determined? What evidence is needed to prove that the trademarks are well-known or famous?
- Are well-known and famous trademarks protected under other classes or in the area of dissimilar goods and services? (How do you search and examine cross-classes?)
- How does the level of recognition interact with the burden of proof of bad

faith?

(e.g. If the mark has a greater degree of recognition, is less proof of bad faith needed? (or vice versa?))

- Would the level of distinctive character of the mark be taken into account? (For example, in cases when the mark is so fanciful that it is highly unlikely for the applicant to come up with an identical or similar mark by chance.)

- Would the fact that the mark is identical or similar to other' s house-marks be taken into account?

- Is there a time limit for claiming that a mark has been registered or is being used in bad faith where bad faith regarding a well-know or famous mark is concerned?

- Is it relevant if the mark that is claimed to have been applied for in bad faith has acquired itself well-known character or reputation in the territory in which it has been registered?

- Are there other reasons affecting decisions on well-known or famous marks?

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

Q4. Unfair Application filed by an Attorney

Is there any legislation for refusing an unfair application (or invaliding the registration) filed by an attorney? (Yes/No)

IF YES:

i) Please provide provision(s) of the relevant law or regulation.

ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.)..

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

v) Please provide examination guidelines.

vi) Please provide examination practices.

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

Q5. From The View of The Relationship with Other Rights

Is there any legislation for refusing an application (or invaliding the registration) as

bad-faith on the basis of certain factors such as copyrights, rights of publicity, rights to a trade name or other person's name, etc.? (Yes/No)

IF YES:

- i) Please provide provision(s) of the relevant law or regulation.
- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.)..
- iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?
- iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?
- v) Please provide examination guidelines.
- vi) Please provide examination practices.
- vii) Please provide relevant example of examinations, trial decisions, or court decisions.

Q6. Any other views except for Q1- Q5

If there are any other views/situations that deal with bad faith filings, please provide information.

III. Procedures

Q1. Procedures for Oppositions in Pre-Publication

- Are there any countermeasures against bad faith filings by a third party (e.g. providing information before substantive examination by the examiner)?
- If a third party provides such information to examiners, how will examiners/offices deal with such information?

Q2. Integration of Procedures Related to Oppositions or Appeals and Trials

- Some bad faith filings consist of so many applications. One example is a trademark indicating various goods or services in various fields. In cases like this, it seems that all the evidence proving “intent to use” or the degree of “famous/well-known” could be the same. In connection with this, are there any procedures to consolidate several trials?

IV. Others

- Please provide measures or policies that you have in place for dealing with bad faith filings, and if there are any specific matters that should be noted in particular.

TM5 Continuation/Expansion of Bad-Faith Project
Responses of each Office to the Questionnaire

I. General

Q1. Is there a definition of “bad faith” in your legal system (either by legislative instruments or through case-law)?

JPO

In the Trademark Act of Japan, there is no definition for the term “bad faith.”

However, Article 4, Paragraph (1), Item (xix) of the Trademark Act, which is the section that most likely applies to bad faith trademark applications, stipulates that “unfair purposes” are “any purposes devised to gain profits unfairly or devised to cause damage to other persons, or any other unfair purposes.”

According to the Trademark Examination Guidelines, for example, trademarks presented below fall under Article 4, paragraph (1), item (xix) of the Trademark Act.

(a) A trademark of which the registration is sought to, taking advantage of a well-known foreign trademark or a trademark similar thereto being not registered in Japan, force its purchase, prevent a market entry by the owner of that foreign trademark or force the owner of that foreign trademark to conclude an agent contract

(b) A trademark identical with or similar to a trademark well known throughout Japan, for which an application is filed with an intention to dilute the distinctiveness of the well-known trademark to indicate the source of goods or impair the reputation, etc. of the trademark owner, however the trademark of that application per se is not liable to cause confusion over the source of goods.

KIPO

There is no definition of “bad faith” in the Korean Trademark Act (hereinafter “TMA”).

And there is no definition of “bad faith” in the Intellectual Property Tribunal (hereinafter “IPT”) and/or Courts’ precedents, either. However, the Patent Court or Supreme Court states that in determining whether there is bad faith in trademark application, the below factors can be considered;

- (i) the degree of fame of the well-known/famous mark;
- (ii) the degree of creativity of the well-known mark;
- (iii) whether there was a negotiation with the applicant and the well-known trademark

owner;

- (iv) whether there is relationship between the applicant and trademark owner;
- (v) whether the applicant prepared for a business using the registered trademark; or
- (vi) whether the designated goods/services are same or similar, or have economic relationship.

Further, Trademark Examination Guidelines Article 26 defines “bad-faith” as cases where;

- (i) the applicant files an application with the intent of preventing true trademark owner to enter into the domestic market or force the trademark owner to make an agent agreement with the applicant;
- (ii) the applicant files an application with the intent of diluting a well-known mark, even though the filed trademark does cause confusion as to the source of goods or services; or
- (iii) the applicant files an application that is same or extremely similar to another person’s trademark that has creativity.

Finally, please be advised that under the TMA, even if the trademark application filed in bad-faith, **such mark would not be rejected or invalidated unless the mark (subject for imitation)’s well-known status or fame is proved** (TMA Article 7(1)(12)).

OHIM

There is no definition of bad faith in the legislation pertaining to the Community Trade Mark (“CTM”). The Court of Justice of the European Union (General Court “GC”—first instance –and Court of Justice “CJ”—second instance –)has made it clear that to find out whether the CTM owner has been acting in bad faith at the time of filing the application for registration of the CTM, an overall assessment must be made in which all the relevant factors of the individual case must be taken into account. For examples of such factors, please see answer to Q7below.

SAIC

There is no definition of "bad faith" in the China Trademark Law.

USPTO

While there is no uniform legal definition in the United States for the term bad faith, courts typically consider bad faith to mean that the accused party meant to capitalize on the trademark owner’s goodwill by trying to confuse consumers into believing that the defendant's product is created or sponsored by, or affiliated with, the plaintiff.

Q2. Is bad faith raised ex-officio or upon a party's claim/objection? (where the answer can depend on different case constellations, please refer to the detailed questions in (iii) of II. Q1 ~ Q5 of the questionnaire)

JPO

Bad faith can be raised both ex-officio and upon a party's claim/objection in an opposition or invalidation/cancellation trial.

KIPO

Both ex-officio and upon a party's objection.

OHIM

Bad faith is never raised ex-officio in the CTM system. It is raised by a party in accordance with the rules in Article 52 et seq. of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark ("CTMR")(Article 52(1)(b) CTMR).

SAIC

Bad faith applies at the proceedings of trademark opposition of the party concerned and the proceeding for appeal/trial.

USPTO

Bad faith typically is not raised by the USPTO during examination. However, bad faith may be raised in an opposition, cancellation or infringement proceeding as a factor to be considered in a likelihood of confusion analysis.

Q3. What is the earliest moment within your system that 'bad faith' can be claimed? What is the latest? (i.e. are there time limits for claiming bad faith).

JPO

At the earliest, the examiner may refuse a bad faith application during examination phase. During the examination phase, any person can provide information to the examiner.

After registration of the trademark, there is no time limit for claiming bad faith in an invalidation trial. More specifically, under Article 47, Paragraph (1), there is no 5-year exclusion period to request trials for invalidation against trademark registrations in

violation of Article 4, Paragraph (1), Items (vii) and (x) (“the case in which a trademark has been registered for the purpose of conducting unfair competition”), the item (xv) (“the case in which a trademark has been registered for unfair purposes”) and item (xix).

Also, the trials to cancel trademark registrations under Article 53-2 cannot be demanded after five years has passed from the date on which the trademark right was established.

KIPO

At the earliest, the examiner may refuse a bad faith application during examination phase or the owner for famous mark can provide information to the trademark examiner or file an opposition during the trademark examination phase

At the latest, an interested party may raise an invalidation proceeding with the IPT. Further, interested party can claim that a mark should be invalidated based on TMA Article 7.1.12 at the phase of the Patent Court. However, in the Supreme Court, interested party cannot add new invalidation action grounds which had not been raised in the IPT and/or Patent Court. And there is no statutory limitation for filing an invalidation action based on TMA Article 7.1.12. For your information, the first phase for invalidation action is IPT; and the IPT’s decision can be appealed to the Patent Court as the second phase. The Patent Court’s decision can be appealed to the Supreme Court as the final phase.

OHIM

Bad faith can be claimed only in relation to a registered CTM, i.e. not during the examination processes before registration takes place. After registration of the CTM, there is no time limit for claiming bad faith.

SAIC

Bad faith can also be claimed in the proceedings for appeal/trial of a trademark. The claim must be submitted within five years from the date of trademark registration. For the right holder of a famous trademark, time limit of five years is not set.

USPTO

Bad faith is not an independent ground for opposition or cancellation of a registration, but may be asserted as part of a likelihood of confusion or false association claim. Thus, the only time limits are the time limits that apply to the particular ground for opposition or cancellation. Bad faith may be asserted either at the outset of a proceeding, or after discovery has been conducted.

Q4. What is the crucial moment at which the 'bad faith applicant' must have had bad faith to fall foul of the provisions. (e.g. filing date, final decision by examiner etc)? (where the answer can depend on different case constellations, please refer to the detailed questions in (ii) of II. Q1 ~ Q5 of the questionnaire)

JPO

Basically, the determination of whether applicants have filed under bad faith, i.e., “bad faith applicants,” is based on standards assessed both at the time they file their applications and at the time examiners conduct examination on them.

KIPO

At the time when the bad-faith applicant’s trademark application filed with the Korean Intellectual Property Office (hereinafter “KIPO”)

OHIM

The crucial moment at which the bad faith applicant must have had bad faith to fall foul of the provisions is the time of filing the application for registration of the CTM.

SAIC

Bad faith can be raised during the proceedings of trademark opposition and the proceeding for appeal/trial for a trademark. Difference between the two proceedings is whether bad faith is started during the proceedings for opposition or not. In either case, "the bad faith filing" is not immediately registered.

USPTO

In the usual case, bad faith is assessed as of the time of adopting the mark, or in the case of an intent-to-use application, as of the time of filing the application.

Q5. Is the subjective state of mind of the 'bad faith' applicant relevant in the assessment of bad faith, i.e. is there a subjective element which is being assessed and, if so, how does the examiner deduce that this subjective element exists in a given case?

JPO

Yes, the subjective state of mind of the “bad faith applicant” is relevant in the assessment of bad faith. However, it is often impossible to obtain positive proof of bad faith (unfair intention), so the JPO may infer bad faith from circumstantial evidence.

Please refer to the response to I. Q7 for specific means by which the JPO assesses bad faith.

Especially, in the examination process, a trademark in correspondence to (1) and (2) is considered to guess what the trademark is used with unfair intention.

(1) A trademark which is identical or very similar to a well-known trademark in other countries or a trademark well-known throughout Japan.

(2) The above-mentioned well-known trademark is composed of a coined word or particular in composition.

KIPO

No. The examiner does not assess the subjective state of mind of the ‘bad faith.’

OHIM

Amongst the relevant factors of the individual case, a factor of particular relevance is the dishonest intention of the CTM owner at the time when he files the application for registration. This is a subjective factor that has to be determined by reference to objective circumstances of the particular case (which can also refer to his behavior after the filing, to the extent they may reflect on its intention at the time of filing). For example, repeat filings of the same CTM for the same goods and services can be objective indications of the CTM owner’s subjective dishonest intention to artificially extend the grace period for non-use of the mark.

SAIC

A subjective factor is taken into examiner’s consideration. The examiner assesses mainly based on proof submitted by the parties concerned, such as, whether the applicant of a bad faith filing and the holder of the trademark communicated to each other or not, whether the applicant of the bad faith filing intends to gain unfair profits or not, and whether a trademark under a bad faith filing has significant originality or not.

USPTO

Yes, the subjective state of mind of the bad faith applicant is relevant in the assessment of bad faith. However, direct evidence of wrongful intent is often unavailable, so courts and the USPTO’s Trademark Trial and Appeal Board (TTAB) may infer bad faith from circumstantial evidence. Courts and the TTAB draw inferences from all of the surrounding circumstances, such as, but not limited to, whether the defendant was aware of the plaintiff’s mark when it selected its mark; the degree of similarity of the respective marks; evidence of any copying or imitation of the plaintiff’s mark,

packaging formats or design elements; any prior business or employment relationship with the plaintiff; and the credibility of the defendant's explanation of the resemblances in the marks or packaging.

An examiner would not consider bad faith in his or her likelihood of confusion analysis; rather, it would be considered if raised during an opposition or cancellation proceeding.

Q6. Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)? (where the answer can depend on different case constellations, please refer to the detailed questions in (iv) of II. Q1 ~ Q5 of the questionnaire)

JPO

As a basic principle, the burden of proof in establishing bad faith rests on the parties who claim that the applications were made in bad faith.

Bad faith may be inferred from circumstantial evidence. For example, factors to be considered in determining whether bad faith exists include: the background of applications such as applicants' actions and facts involved with filing, including relationship between the applicants and the genuine trademark owners, and any originality of filed trademarks. Especially, in the examination process, in case requirements described in Q5 are satisfied, unfair intentions may be inferred.

KIPO

In general, the owner for well-known or famous mark bears the burden of proving there was bad faith in filing the bad-faith trademark application.

OHIM

The person claiming that the CTM owner was in bad faith (i.e. the invalidity applicant) needs to prove that there was bad faith on the part of the CTM owner at the time he filed the CTM application. There is no presumption of bad faith in any situation. On the contrary, there is a presumption of good faith until proof to the contrary is adduced. Under certain circumstances, the CTM owner bears the burden of proof for counter-claims, for example if the invalidity applicant had proved a series of circumstances which indicate bad faith and the CTM owner wanted to claim, as a defense, that the invalidity applicant had consented to his application, he would need to show proof thereof.

SAIC

There is a principle of burden of proof, which is subjected to the holder of a trademark. For example, a case where an applicant of a bad faith filing makes registered trademark based on bad faith of many other trademarks of other persons and is subjected to opposition, and a holder of the trademark submits other proofs of the bad faith is presumed to be bad faith is established. There are a few cases where bad faith is presumed and established.

USPTO

Bad faith intent will be considered as a factor in a likelihood of confusion analysis. *See, e.g., Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961) (intent of the junior user in adopting the mark is a relevant factor in deciding whether confusion is likely); *Dan Robbins & Assocs., Inc. v. Questor Corp.*, 599 F.2d 1009, 1013 (CCPA 1979) (“Evidence of the applicant's intent is probative, but not conclusive where confusion is otherwise unlikely”). Please note, however, that it is not necessary to prove bad faith in order to establish a likelihood of confusion. The burden of proof to establish likelihood of confusion, and any assertion of bad faith, is on the opposer or petitioner, who must establish its case by a preponderance of the evidence.

Some courts have held that a finding of culpable intent creates a “presumption” that confusion is likely, i.e., it is presumed that the applicant intended to cause confusion and that they were successful. Other courts have held that intent creates an “inference” that consumers are likely to be confused, and still others will simply give this factor great weight in a likelihood of confusion analysis.

Q7. Is there a defined list of conditions ('check-list') according to which 'bad faith' is established?

JPO

There is no defined checklist of conditions according to which bad faith is established.

A judgment on an “unfair purposes” needs to be made with full consideration given to the following materials, if available.

- (a) Materials proving a fact that another person’s trademark is well known among consumers (the period, scope, frequency of its use)
- (b) Materials showing that a well-known trademark is composed of a coined word or particular in composition
- (c) Materials proving a fact that the owner of a well-known trademark has a concrete

plan to make a market entry in Japan (such as, for example, exportation to Japan, sales in Japan, etc.)

(d) Materials proving a fact that the owner of a well-known trademark has a plan to expand its business in the near future (such as, for example, the start of a new business, development of its business in new areas, etc.)

(e) Materials proving a fact that the owner of a well-known trademark is forced to accept a demand from a trademark applicant for the purchase of a trademark in question, the conclusion of an agent contract, etc.

(f) Materials showing that a trademark, if used by its applicant, is liable to impair credit, reputation, consumers-attractiveness built up in a well-known trademark

KIPO

Please refer to I-Q1.

OHIM

There is no defined list of conditions (check-list). An overall assessment has to be made in which all the relevant factors of the individual case have to be taken into account. Some factors of particular relevance are the following (without the list being exhaustive):

- ☐ identity/confusing similarity of the signs
- ☐ knowledge or presumption of knowledge of the use of an identical or confusingly similar sign
- ☐ dishonest intention
- ☐ existence of a direct or indirect relationship between the parties prior to the filing of the CTM

SAIC

The following factors shall be totally considered to determine whether a bad faith filing or not:

(1) Whether a trade relationship or a cooperative relationship existed or not between the applicant of the pending trademark and the holder of the trademark:

(2) Whether the common area of the applicant of the pending trademark and the holder of the trademark or the goods/services of the both sides are within the same sales route and range or not:

(3) Whether another conflict has been present between the applicant of the pending

trademark and the holder of the trademark or not, and whether the both sides knew trademark of a prior user or not:

(4) Whether intercommunication between the applicant of the pending trademark and the members of the holder (organization) of the trademark has been made or not:

(5) Whether the applicant of the pending trademark intends to gain unfair profits after registration or not, and whether the applicant of the pending trademark conducts misleading advertisement, enforces dealing and partnering (on a trademark) to the prior user, releases the trademark to the prior users or other persons at a high price, and charges them a license fee or compensation of infringement of right by utilizing a certain good fame and impact of the trademark possessed by the trademark holder, or not:

(6) Whether the trademark has more significant originality than trademarks of other persons or not; and

(7) cases considered as bad faith filing

USPTO

No, there is no defined list of conditions according to which bad faith is established. The courts may infer it from circumstantial evidence. As noted above, the court draws inferences from all of the surrounding circumstances, such as, but not limited to, whether the defendant was aware of the plaintiff's mark when it selected its mark; the degree of similarity of the respective marks; evidence of any copying or imitation of the plaintiff's mark, packaging formats or design elements; any prior business or employment relationship with the plaintiff; and the credibility of the defendant's explanation of the resemblances in the marks or packaging.

II. Laws/Regulations and Examination Guidelines/Practices in TM5 Partner Offices, which Deal with Bad Faith Filings

[JPO comment]The JPO assumed the following five view points which might be applicable to bad faith filings. We welcome your opinion/ input on these categories.

Please provide any relevant article(s) in laws, regulations, examination guidelines, examination practices, giving specific examples such as examples of examinations, trial decisions, court decisions, etc.

JPO

<General Statement>

In the Japanese trademark system, applicable provisions that might apply in eliminating usurped trademark applications differ due to various factors such as whether or not another person's trademark, which was the target of the usurped trademark application, is well-known in Japan.

The provisions that apply to cases in which the other person's trademark is well-known in Japan are as follows: Article 4, Paragraph (1), Item (x) (“[the trademark] is identical with, or similar to, another person's trademark which is well known among consumers as that indicating goods or services in connection with the person's business, if such a trademark is used in connection with such goods or services or goods or services similar thereto”), and Article 4, Paragraph (1), Item (xv) (“[the trademark] is likely to cause confusion in connection with the goods or services pertaining to a business of another person”). In applying these provisions, there is no need to verify “unfair purposes” of applicants.

And, even if a claimed trademark is unlikely to cause confusion as to the sources of the goods, when it is “identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person,” and when “such trademark is used for unfair purposes,” Article 4, Paragraph (1), Item (xix) shall be applied. The key point here is that this provision applies also to trademarks that are well known only in foreign countries.

Furthermore, there is the possibility that Article 4, Paragraph (1), Item (vii) might apply when more emphasis is given to the background of the applications and to subjective bad faith of applicants. In that case, whether or not another person's trademark is well known is a factor to be considered, but is not a requirement. Also, the principal paragraph of Article 3, Paragraph (1) might apply when there are concerns about the applicants' own intentions to use the trademark themselves.

KIPO

TMA Article 7(1)(12)

Trademark Examination Guidelines Article 26

And the bellows are the recent Patent Court's decision in relation with bad-faith filing;

Case No.: 2012Heo5059 rendered on November 22, 2012 by the Patent Court

Saudi Arabia's company ("Registrant") filed three applications for the mark which is composed of device and letters of "TIFFANY" in Classes 24, 35, and 36 for beddings related goods and services on March 3, 2009, and obtained registration of those applications.

The owner for TIFFANY mark filed invalidation actions against the subject registrations with the IPT on June 20, 2011 by arguing the fame of the "TIFFANY" mark and bad faith of the Registrant. Initially, the IPT dismissed the invalidation actions holding that 1) the economic relationship between the compared goods/services (i.e., "jewelry," etc. versus "beddings," etc.) and 2) the bad faith of the Registrant cannot be recognized.

The Patent Court on appeal, however, overturned the IPT decisions by recognizing the fame of the "TIFFANY" mark for "jewelry" and the bad faith of the Registrant. The Patent Court recognized the bad faith of the Registrant by emphasizing several factors such as 1) the Registrant's likely knowledge of the fame of the "TIFFANY" mark, 2) sufficient probability of the owner for TIFFANY mark also expanding its business into "beddings" in the future considering the trends of luxury fashion brands, 3) likelihood of consumers' misunderstanding or confusion as to source of goods with the use of the subject registrations by the Registrant, and 4) the overlap of the targeted consumers of "beddings" and "jewelry."

SAIC

No. The China Trademark Law has no provision which refuses the filing and registration of a trademark lacking intent to use based on bad faith.

Q1. From The View of “Intent to Use”

Can a filing be refused (or invalidated) for “bad faith” based on the absence of “actual use” or lack of “intent to use” the trademark at the time the application is filed? (Yes/No)

JPO

Yes.

In the Trademark Act of Japan, the principal paragraph of Article 3, Paragraph (1) stipulates: “Any trademark to be used in connection with goods or services pertaining to the business of an applicant [...] may be registered.” Accordingly, bad faith trademark applications, which applicants file without any intent to use the trademarks, may be

refused or invalidated on legal grounds. However, please note when the principal paragraph of Article 3, Paragraph (1) was adopted, the original intent was not to prevent “bad faith trademark applications” per se. In other words, even in cases when applicants file trademark applications without any bad faith intended, the filed trademarks can be refused (or invalidated) if the applicants have no intention to use them.

KIPO

Actually, this is very difficult for KIPO to answer these questions. In fact, the amended TMA (effective as of March 15, 2012) provides a new ground for rejecting or invalidating a trademark registration based on a lack of intent to use (TMA Article 3). However, the purpose of TMA Article 3 is not closely related to prohibiting a trademark in bad-faith’s application from registering and/or invalidating (this means that even if there is no bad-faith in filing trademark application, the mark can be rejected (or invalidated) in case of that there is lack of intent to use).

Further, as the said new rejection/invalidation ground was introduced recently, to the best of our knowledge, there are no IPT and/or court decisions in relation with TMA Article 3. Thus, we will introduce Trademark Examination Guidelines which are related to TMA Article 3 and would not give our answers as to your specific questions on the below.

Trademark Examination Guidelines Article 42-2 :

the examiner may request evidence of use or a declaration in support of use and/or intent to use (i.e., printed materials, product photographs, invoices, declaration describing plans for use, etc.) when there is a doubt as to the intent to use. Further, the said guideline exemplifies that there is a doubt as to the intent to use if (i) one application covers goods/services in more than five Int'l Classes, (ii) various numbers of unrelated goods/services are claimed irrespective of number of classes, (iii) it is prohibited by law for the applicant to be engaged in a business for the designated goods/services, (iv) an individual files an application for services which requires large facilities and/or substantial capital such as banking services, and air transportation services.

OHIM

There is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it. Nor does the mere absence of actual use automatically trigger a bad faith scenario.

However, in accordance with the case-law of the Court of Justice of the European Union

an indication of dishonest intention (a factor to be assessed for bad faith) could be, if it becomes apparent, subsequently, that the CTM owner applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market (CJ judgment of 11/06/2009, C-529/07, ‘Lindt Goldhase’, para. 44). In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer can identify the origin of the product or service by allowing him to distinguish that product or service from those of different origin, without any confusion (CJ judgment of 11/06/2009, C-529/07, ‘Lindt Goldhase’, para. 45).

SAIC

No. The China Trademark Law has no provision which refuses the filing and registration of a trademark lacking intent to use based on bad faith.

If, a "bad faith" trademark registration is required to be cancelled based on the continuous absence of “actual use” for three years, the “actual use” can be proved by proofs of actual use, (for example), use of the trademark on goods, packaging or container of goods, or transaction documents of goods, or proofs of the use of the trademark in advertisement, exhibition and other commercial events (Section 3 of the "Trademark Law").

USPTO

If a party is not using a mark in commerce, an application may be filed at the United States Patent and Trademark Office (USPTO) under Section 1(b) of the Trademark Act on the basis of an intent to use in commerce, under Section 44 of the Trademark Act on the basis of a foreign registration, or through a Madrid filing under Section 66(a) of the Trademark Act. In such cases, an applicant must submit a verified statement that the applicant has a bona fide intention to use the mark in commerce. Such an application may be refused or challenged on the basis that an applicant did not have a “bona fide intent” to use the mark in commerce at the time an application was filed. Please note, however, that this is a different standard than “bad faith.”

Note: In addition to a declaration stating that the applicant is using the goods or services in commerce or has a bona fide intent to use the mark, an application must include an allegation that to the best of the verifier’s knowledge and belief, the facts recited in the application are accurate, and that the verifier believes the applicant to be the owner of the mark and that no one else, to the best of his or her knowledge and belief, has the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when applied to the goods or services of the other person, to cause confusion or mistake, or to deceive. An applicant that knowingly makes a false, material representation with the intent to deceive the USPTO may be

challenged on the basis of fraud.

IF YES:

- i) Please provide any provision(s) of the relevant laws or regulations.

JPO

Principal Paragraph of Article 3(1)

Article 3 Any trademark to be used in connection with goods or services pertaining to the business of an applicant may be registered, unless the trademark.

OHIM

In accordance with Article 52(1)(b) CTMR a CTM ‘shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings where the applicant was acting in bad faith when he filed the application for the trade mark’.

USPTO

15 U.S.C. § 1051(b)(3)(B) provides that, in an intent-to-use application filed under 15 U.S.C. § 1051(b) (“Section 1(b) application”), an applicant must submit a verified statement that the applicant has a bona fide intention to use the mark in commerce on or in connection with the goods or services listed in the application. If the verified statement is not filed with the initial application, the applicant will be required to submit a verified statement during prosecution of the application that states that the applicant had a bona fide intention to use the mark in commerce on or in connection with the goods or services as of the filing date of the application. 37 C.F.R. § 2.34(a)(2).

15 U.S.C. §§1126 and 1141(5)(a) provide that a verified statement of the applicant's bona fide intention to use the mark in commerce must also be included in applications filed under Sections 44 (on the basis of a foreign registration) and 66(a) (a Request for Extension of Protection filed through the Madrid Protocol).

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

JPO

The relevant moment for determining whether there is intension to use is the time of

decision to grant/refuse registration of the trademark.

OHIM

Bad faith can only be invoked against a registered CTM. The relevant moment for determining whether there was bad faith on the part of the CTM owner is the time of filing the application for registration of the CTM.

USPTO

The applicant must have had a bona fide intent to use the mark at the time of filing the application.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

JPO

Under the above provision, the said trademark applications can be legally refused by ex-officio examination. However, in fact, in the examination process, it is difficult to determine whether the applicants have filed the trademark applications without any intent to use them. As a result, this may pose difficult problems when refusing bad faith applications based on ex-officio examination on the grounds that the applicants have no intent to use the trademarks. On the other hand, in court decisions, a precedent was set whereby a bad faith filing was invalidated on the grounds that the applicant had no intent to use the trademark. (For the details, please see vii)

OHIM

It is left to invalidation/cancellation of the registration claimed by a third party. There is no ex-officio examination of bad faith in the CTM system.

USPTO

An application may be refused by the examiner if an applicant has failed to include a verified statement of intent to use in commerce. If a verified statement is provided, an examiner will not evaluate the good faith of an applicant during examination and will not make an inquiry unless evidence of record clearly indicates that the applicant does not have a bona fide intention to use the mark in commerce. A third party may challenge intent to use either in an opposition filed against a Section 1(b) application, or in a cancellation proceeding filed against a registration issued under Sections 44 (on the basis of a foreign registration) or 66(a) (a Request for Extension of Protection filed through the Madrid Protocol).

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

JPO

If it is determined that there is any doubt as to the applicants' intent to use trademarks, applicants or rights holders may have to submit certain documents proving their intention to use them (The burden of proof in establishing the intent to use rests in the applicants and/or rights holders). ("RC TAVERN" Case: Intellectual Property High Court (Gyo-Ke) No. 10019 2012, Date of Court Decision May 31, 2012. Rescission of a trial decision. For the details, please see vii))

OHIM

The person claiming that the CTM owner was in bad faith (i.e. the invalidity applicant) needs to prove that there was bad faith on the part of the CTM owner at the time he filed the CTM application. There is no presumption of bad faith in any situation. On the contrary, there is a presumption of good faith until proof to the contrary is adduced. Under certain circumstances, the CTM owner bears the burden of proof for counter-claims, for example if the invalidity applicant had proved a series of circumstances which indicate bad faith and the CTM owner wanted to claim as a defense that the invalidity applicant had consented to his application, he would need to show proof thereof.

USPTO

In the event that an application or registration is challenged on the basis of lack of intent, the opposer/petitioner has the burden of proof in establishing applicant's/registrar's lack of intent. However, failure to produce documents verifying a bona fide intent to use the mark in commerce is sufficient to establish a rebuttable presumption that the applicant lacks such intent. For example, if opposer/petitioner requests documents during discovery proving applicant's/registrar's intent, and applicant/registrar fails to provide any documents, it is presumed that the applicant/registrar lacks intent and must rebut the presumption some other way. Such documents include business plans, documents demonstrating that applicant has the ability to manufacture the products or has experience in the relevant field, documents relating to market research, etc.

v) Please provide examination guidelines.

JPO

The parts in examination guidelines dealing with “intent to use” under the principal paragraph of Article 3, Paragraph (1):

The Trademark Examination guidelines

Principal Paragraph of Article 3(1)

1. A trademark evidently not intended for “used in connection with goods or services pertaining to the business of an applicant” is not judged to fall within the category of trademarks registrable in accordance with the principal paragraph of Article 3(1), in principle.

(Examples)

- (i) In case where it is clear that an applicant will not carry out his business in connection with designated goods or designated services because the scope of the applicant’s business is legally limited.
 - (ii) In case where it is clear that an applicant will not carry out his business in connection with designated goods or designated services because persons executing business connected with designated goods or designated services are legally restricted.
2. An application containing designated goods or designated services that contained in an application fall under the following (1) or (2) will receive a notification of reason for refusal stating that the trademark does not fall within the category of trademarks registrable in accordance with the principal paragraph of Article 3(1), because there is a justifiable doubt as to whether the applicant is conducting, or is planning to start, business connected with the designated goods or designated services which is regarded as the premise for the use of a trademark. The use or intention of use of the trademark will be ascertained by investigating the applicant’s business.

However, this shall not apply where the applicant, at the time of filing an application, submitted reference documents in accordance with Item 3 below, by which use or intention of use of the trademark can be ascertained.

- (1) Regarding services provided for in Article 2(2) of the Trademark Act (hereinafter referred to as “retail services”)
 - (a) Where a person (natural person) has designated services falling under the category of “retail services or wholesale services for a variety of goods in each of the fields of clothing, foods and beverages, and livingware, and taking all goods together” (hereinafter referred to as “general retail services”).
 - (b) Where a juridical person has designated services falling under the category of general retail services, and if the investigation as to whether or not the trademark will be “used in connection with goods or services pertaining to his

business” found out that the applicant is not conducting general retail services.

- (c) Where more than one of the retail services have been designated that are not similar to each other.

(2) Regarding overall goods and services

Where there is a doubt as to the use or intention of use of a trademark in regard to the designated goods or designated services, since the designation of goods or services ranges widely in one classification.

- 3. Where the reason for refusal contained in Item 2 above is notified, use or intention of use of the trademark will be ascertained through the following procedures.

- (1) In order to prove that a trademark will be “used in respect of goods or services in connection with his business,” it requires the applicant to show, on at least a similar group basis, that he is conducting, or planning to start, business connected with the designated goods or designated services.

- (2) The following, for example, will be accepted as means of proof that the applicant is carrying out business connected with the designated goods or designated services.

- (i) Printed matters (newspapers, magazines, catalogs, leaflets, etc.)
- (ii) Photographs of the exterior and interior of the store
- (iii) Business documents (order forms, delivery statements, invoices, receipts, etc.)
- (iv) Certificates issued by public organizations (government, local governments, foreign embassies in Japan, Chambers of Commerce and Industry)
- (v) Certificates issued by others in the same trade, trade clients, consumers, etc.
- (vi) Articles on the internet
- (vii) Documents stating the sales amount of goods in relation to retail services

- (3) The fact that the applicant is conducting business connected with retail services will be confirmed in the following manner.

- (a) For retail services belonging to general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

- (i) that the applicant is a retailer or a wholesaler.
- (ii) that the above retailer or wholesaler is providing retail services at one establishment for a variety of goods in each of the fields of clothing, foods and beverages, and living ware, and taking all goods together.
- (iii) that the sales of each field of clothing, foods and beverages, and living ware is accounting for around from 10% to 70% of the total sales.

- (b) For retail services other than general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

- (i) that the applicant is a retailer or a wholesaler

- (ii) that the above retailer or wholesaler handles goods connected with retail services
- (4) In order to prove that the applicant is planning to start business connected with the designated goods or designated services, the applicant is required to show his intention of starting to use the trademark within 3 to 4 years from the date of filing the application (within three years following the registration). The applicant thus will be requested to submit documents specifying his intention of use of the trademark and documents stating his preparation status (business plan).

The above-mentioned documents specifying his intention of use of the trademark must include the following descriptions, on which the applicant will sign and set his seal (in the case of juridical person, it will require at least a signature and seal of the director of the relevant business).

- (i) Intention of use of the trademark in the application
- (ii) Specification of point as to whether the applicant will engage in production or assigning (including sales) of the designated goods (service provision plan in the case of designated services)
- (iii) When to start using the trademark

The above-mentioned documents stating his preparation status must specify its preparation status and business plan until the start of use (decisions concerning goods or services planning; construction of factories and stores, etc.)

Where his intention of use of the trademark is uncertain, or there is a doubt as to the relevant business plan, the applicant will be requested, as needed, to submit further documents supporting the business operation and plan.

OHIM

The release of amended examination guidelines on bad faith is imminent. We will provide them as soon as they have been published.

USPTO

The Trademark Manual of Examining Procedure (TMEP) § 818 lists the elements an examiner must require in an application filed under Section 1(b) or

Section 44. TMEP § 1904.01(c) provides guidelines for requiring a declaration of the applicant's bona fide intention to use the mark in commerce in a §66(a) application.

- vi) Please provide examination practices.

For example, if a (bad faith) registration is challenged on the basis of non-use, what evidence would be required to prove actual use (is bona fide use in the

ordinary course of trade necessary, i.e., whatever use is normal and ordinary in that type of business)?

JPO

Trademark Act

Article 50 Where a registered trademark (including a trademark deemed identical from common sense perspective with the registered trademark, including a trademark consisting of characters identical with the registered trademark but in different fonts, a trademark that is written in different characters, Hiragana characters, Katakana characters, or Latin alphabetic characters, from the registered trademark but identical with the registered trademark in terms of pronunciation and concept, and a trademark consisting of figures that are considered identical in terms of appearance as those of the registered trademark; hereinafter the same shall apply in this article) has not been used in Japan in connection with any of the designated goods and designated services for three consecutive years or longer by the holder of trademark right, the exclusive right to use or non-exclusive right to use, any person may file a request for a trial for rescission of such trademark registration in connection with the relevant designated goods or designated services.

Documents clearly indicating the following items are able to prove actual use: persons who use trademarks, goods related to the use, trademarks in use, time of use, etc. The examples of such documents include: photographs illustrating the actual status of use, catalogues for product sales, and advertisements in newspapers or magazines. However, if certain elements such as the place of use and the time of use are not clearly confirmed, as in the case of photographs, reference materials such as order sheets and sales vouchers are to be submitted together as required to objectively confirm the actual use.

OHIM

The bad faith challenge cannot merely be based on a claim of non-use as there is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it. Moreover, the CTM owner has a grace-period of five years following registration for genuine use of the CTM (Article 15 CTMR). If more than five years after registration have passed without any genuine use, the CTM can be subject to revocation based on non-use (Article 51(1)(a) CTMR).

However, an indication of dishonest intention (a factor to be assessed for bad faith) could be, if it becomes apparent, subsequently, that the CTM owner applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market.

On the other hand, if there is a commercial logic to the filing of the CTM and it can be assumed that the CTM owner wanted to use the sign as a trade mark, there would be an indication against a dishonest intention. For example, this could be the case if there is a ‘commercial trajectory’ such as the registration of a CTM after having registered the mark in a Member State (GC judgment of 01/02/2012, T-291/09, ‘Pollo Tropical CHICKEN ON THE GRILL’, para. 58), if there is evidence of the CTM owner’s intention to develop its commercial activities (for example a licensing agreement) (GC judgment of 01/02/2012, T-291/09, ‘Pollo Tropical CHICKEN ON THE GRILL’, para. 67) or if the CTM owner had a commercial incentive to protect the mark more widely (for example, the number of EU Member States in which he generates turnover through marketing goods increased) (GC judgment of 14/02/2012, T-33/11, ‘BIGAB’, paras 20, 23).

USPTO

In the United States, a bona fide use in the ordinary course of trade is necessary to prove use if challenged. A bona fide use in the ordinary course of trade means a legitimate commercial purpose and not merely to reserve a right to register the mark. Legitimate commercial purposes may differ by industry. For example, what is expected by competitors in the ordinary course of the apparel business is different than what is expected by competitors in the pharmaceutical industry. Therefore, bona fide use in the ordinary course of trade is interpreted flexibly. Factors considered by the Board or a court when determining compliance with the statutory requirement for a “*bona fide use of a mark in the ordinary course of trade*” are:

- (1) the amount of use;
- (2) the nature or quality of the transaction;
- (3) what is typical use within a particular industry; and
- (4) any other probative facts.

For example, how are the following facts or circumstances considered, in regard to “Intent to use”?

For example, could applicants be required to submit evidence of intent to use?

USPTO

If a party is challenged on the grounds of a lack of intent to use a mark in commerce, objective evidence is needed to prove good faith intent to use. This may include:

- (1) product or service research or development;
- (2) market research;
- (3) manufacturing activities;

- (4) promotional activities;
- (5) steps to acquire distributors;
- (6) steps to obtain governmental approval; or
- (7) other similar activities.

- In cases when applicants designate a wide variety of classes or a large number of goods or services

JPO

In case applicants designate an extremely wide variety of goods and/or services, as a general rule, examiners determine if there are any reasonable doubts as to whether the applicants are conducting or plan to conduct business relating to these designated goods or services, which are prerequisite to the use of their trademarks. Accordingly, notifications of reasons for refusal are sent under the principal paragraph of Article 3, Paragraph (1), stating that the claimed trademarks are not judged to fall within the category of registrable trademarks. Then, the actual use of, or the intent to use, these trademarks are to be confirmed based on the business activities of the applicants.

Cases in which there are reasonable doubts as to applicants' specific use of or intent to use their trademarks are as follows:

[1] Goods or services in general

A case where examiners have reasonable doubts over the applicant's use of or intention to use the trademark for designated goods or designated services since the applicant designates various goods or services under one class.

Guidelines to analyze an application covered by this case:

When the applicant, in principle, designates eight or more codes for similar goods or services under one (hereinafter called "similar group codes"), examiners shall confirm the applicant's use of or intention to use the trademark since the applicant is considered to designate a wide variety of goods or services.

[2] Retail services

- a. An individual (or natural person) designates the services included in "the provision of benefits for customers conducted in the course of retail and wholesale business which deals in various goods connected to clothing, beverages, and commodities at one time" (hereinafter called "general retail services").
- b. A legal person designates the business included in general retail services and the

applicant is not recognized as an applicant dealing in general retail services even after the examiners' examination using the examiners' authority to see if the applicant "uses the trademark in connection with goods or services pertaining to the business of an applicant."

c. An applicant designates multiple retail services which have no similarity.

The following items confirm actual use or the intent to use:

[1] Documents for confirming the use of the trademark

The following, for example, will be accepted as means of proof that the applicant is carrying out business connected to the designated goods or designated services.

- (i) Printed matters (newspapers, magazines, catalogs, leaflets, etc.)
- (ii) Photographs of the exterior and interior of the store
- (iii) Business documents (order forms, delivery statements, invoices, receipts, etc.)
- (iv) Certificates issued by public organizations (government, local governments, foreign embassies in Japan, Chambers of Commerce and Industry)
- (v) Certificates issued by others in the same trade, trade clients, consumers, etc.
- (vi) Articles on the internet
- (vii) Documents stating the sales amount of goods in relation to retail services

The fact that the applicant is conducting business connected to retail services will be confirmed in the following manner.

(a) For retail services belonging to general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

- (i) that the applicant is a retailer or a wholesaler.
- (ii) that the above retailer or wholesaler is providing retail services at one establishment for a variety of goods in each of the fields of clothing, foods and beverages, and living ware, and taking all goods together.
- (iii) that the sales of each field of clothing, foods and beverages, and living ware is accounting for around from 10% to 70% of the total sales.

(b) For retail services other than general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

- (i) that the applicant is a retailer or a wholesaler
- (ii) that the above retailer or wholesaler handles goods connected to retail services.

[2] Documents to confirm the applicant's intention to use the trademark

In order to prove that the applicant is planning to start business connected to the designated goods or designated services, the applicant is required to show his/her intention of starting to use the trademark within 3 to 4 years from the date of filing the

application (within three years following the registration). The applicant thus will be requested to submit documents specifying his/her intention of use of the trademark and documents stating his/her preparation status (business plan).

The above-mentioned documents specifying his/her intention of use of the trademark must include the following descriptions, on which the applicant will sign and set his/her seal (in the case of juridical person, it will require at least a signature and seal of the director of the relevant business).

(i) Intention of use of the trademark in the application

(ii) Specification of point as to whether the applicant will engage in production or assigning (including sales) of the designated goods (service provision plan in the case of designated services)

(iii) When to start using the trademark

The above-mentioned documents stating his/her preparation status must specify its preparation status and business plan until the start of use (decisions concerning goods or services planning; construction of factories and stores, etc.).

OHIM

There is no requirement of intent to use in the CTM system. Hence, the CTM owner cannot be required to submit evidence of intent to use. As regards the factor of 'dishonest intention', as a rule, it is legitimate for an undertaking to seek registration of a mark, not only for the categories of goods and services which it markets at the time of filing the application, but also for other categories of goods and services which it might wish to market in the future (GC judgment of 14/02/2012, T-33/11, 'BIGAB', para. 25; GC judgment of 07/06/2011, T-507/08, '16PF', para. 88). There is no legal basis for making a finding of bad faith due to the length of the list of goods and services set out in the application for registration (GC judgment of 07/06/2011, T-507/08, '16PF', para. 88).

USPTO

As noted above, in the United States an applicant must submit a verified statement that it intends to use each of the goods or services listed. Prior to registration, an applicant must submit specimens showing use for each international class. If an application is filed on the basis of a foreign registration under § 44, or on the basis of a § 66(a) Request for Extension of Protection under the Madrid Protocol, the application may register without proof of use, and an examiner will not refuse registration ex-officio. Nevertheless, once registered, a third party may challenge the registration on the basis of a lack of bona fide intent to use.

Note: USPTO has been receiving an increasing number of applications with a wide variety of goods and services. In order to ensure the accuracy of the register, USPTO

issued rules on June 21, 2012 that allow the USPTO to request additional information from trademark applicants and owners regarding use of the mark. In particular, the USPTO can now: (1) upon request, require any specimens displaying use of the mark, information, exhibits, and affidavits or declarations deemed reasonably necessary to examine a post registration affidavit or declaration of continued use in trademark cases, and to assess the accuracy and integrity of the register; and (2) upon request, require more than one specimen in connection with a use-based trademark application, an allegation of use, or an amendment to a registered mark.

- In cases when applicants file a large number of applications to register the trademarks of others

JPO

The RC Tavern case is a court case in which the applicants' use of, or intent to use, their trademarks was taken into account. (Intellectual Property High Court (Gyo-ke) No. 10019 2012, Date of Court Decision May 31, 2012. Rescission of a trial decision)
For the details, please see vii.

OHIM

Bad faith cannot be invoked against a CTM application and there is no requirement of intent to use in the CTM system. Consequently, an applicant cannot be required to submit evidence of intent to use where there is a large number of applications to register trade marks of others.

Each invalidity action against a registered CTM based on bad faith has to be determined with regard to the factors relevant in the individual case. Nevertheless, as regards the possibility to interpret the CTM owner's intention at the time of filing as dishonest, filing a large number of applications to register the trade marks of others can be a strong indication of a dishonest intention of the owner, particularly in cases where there are other indications (e.g. previous knowledge).

USPTO

Although an examiner will not refuse the registration ex-officio, the application may be challenged on the basis of lack of intent to use by a third party. With regard to a claim that an applicant lacks a *bona fide* intent to use the mark, judges have found that an applicant's pattern of filing ITU applications for disparate goods under the well-known or famous marks of others was a basis for sustaining that claim. *See, e.g., L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434 (TTAB 2012).

- In cases when persons (natural persons) designate goods or services that require large-scale equipment or investment. (Example: general retail services).

JPO

For example, in case individuals (natural persons) designated services that fall under the category of “providing conveniences and benefits to customers by conducting retail or wholesale businesses that deal in a variety of goods in each of the fields of clothing, foods and beverages, and household goods, and the individuals categorize all of these goods together (which hereinafter are referred to as “general retail services”), examiners are to determine if there is any reasonable doubt as to the applicants conducting, or plans for conducting, business relating to these designated goods or services, considering the fact that the conducting of such businesses is a prerequisite to the use of their trademarks. Accordingly, notifications of reasons for refusal are sent in regard to claimed trademarks that do not fall under the category of registrable trademarks according to the principal paragraph written in Article 3, Paragraph (1).

OHIM

There is no requirement of intent to use in the CTM system. Consequently, an applicant cannot be required to submit evidence of intent to use. As regards the possibility to interpret his intention as dishonest, if it becomes apparent, subsequently, that he applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market, please see the answers above.

USPTO

An examiner will not request evidence of a bona fide intent to use if the goods or services require large-scale equipment or investment. Nevertheless, a third party, in its discovery requests, may ask the applicant/registrant for evidence showing that the applicant is engaged in the manufacture or sale of such products, or that it has business plans to do so. Failure to produce this evidence would weigh in favor of finding a lack of bona fide intent to use. *See, e.g., Honda Motor Co. v. Friedrich Winkelmann*, 90 USPQ2d 1660 (TTAB 2009); *Boston Red Sox Baseball Club LP v. Sherman*, 88 USPQ2d 1581, 1587 (TTAB 2008) (no bona fide intent found because there was no relevant business established).

- In cases when it is clear that applicants will not carry out their businesses in connection with designated goods or services because the scope of the applicants’ businesses are legally limited, or because persons executing

businesses connected with the designated goods or designated services are legally restricted. (Example: agencies for legal procedures relating to lawsuits or other legal issues).

JPO

(1) Cases when it is clear that applicants will not conduct business in connection with the designated goods or services because the scope of the applicants' businesses are legally limited.

(2) Cases when it is clear that applicants will not conduct business in connection with the designated goods or services because these persons conducting businesses connected with the designated goods or designated services are legally restricted. (Example: agencies for legal procedures relating to lawsuits or other legal issues), their trademarks shall not be registered under the principal paragraph of Article 3 (1). For example, such cases include those in which trademark applications are filed by legal entities that designate services of "agencies for legal procedures relating to lawsuits or other legal issues," "agencies for procedures relating to industrial property rights," and "tax agency," but that are not admitted to conduct these businesses under laws and regulations.

OHIM

There is no requirement of intent to use in the CTM system. Consequently, an applicant cannot be required to submit evidence of intent to use. As regards the possibility to interpret his intention as dishonest if it becomes apparent, subsequently, that he applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market, please see the answers above.

USPTO

If evidence is submitted showing that a party does not have a bona fide intent to use because it is legally restricted from offering these goods and services, this evidence will be a factor that a judge would weigh in favor of a finding of lack of bona fide intent to use the mark.

- In cases when it is obvious that the filing is done under the intent to block entry into the market by others.

JPO

The intent to block entry into the market can be one of the factors to be considered by examiners.

OHIM

There is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it. However, an indication of dishonest intention (one of the factors assessed for bad faith) could be, if it becomes apparent, subsequently, that the CTM owner applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market (CJ judgment of 11/06/2009, C-529/07, ‘Lindt Goldhase’, para. 44). In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer can identify the origin of the product or service by allowing him to distinguish that product or service from those of different origin, without any confusion (‘Lindt Goldhase’, para. 45).

USPTO

If a third party has evidence that an application was filed merely to block entry into the market and with no bona fide intent to use in commerce, this evidence would be considered by a judge and will weigh in favor of a finding of a lack of bona fide intent to use.

- In cases where the mark they registered (allegedly in bad faith) is subsequently revoked for non-use?

JPO

The fact that a trademark is revoked because of non-use is not, in itself, considered a sufficient basis for establishing bad faith.

OHIM

The fact that the mark is revoked for non-use would not be sufficient in itself to support a finding of bad faith. As regards the possibility to interpret the CTM owner’s intention at the time of filing as dishonest, if it becomes apparent, subsequently, that he applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market, please see the answers above.

USPTO

An examiner would not request evidence of intent to use. If a mark is revoked for non-use, and the party has re-applied for the mark, the finding of abandonment on the basis of non-use is not necessarily determinative that the party has a lack of bona fide

intent to use the newly filed mark. A judge would weigh the evidence submitted to determine lack of intent.

- Are there other reasons affecting decisions on “Intent to use”?

JPO

Nothing in particular.

OHIM

There is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it.

Whether the intention of the CTM owner at the time of filing the application was dishonest or not needs to be determined on the basis of the individual case and its relevant factors. One possible case scenario has already been described in the answers above.

Another possible bad faith case scenario is that where the CTM owner intends to artificially extend the grace period for non-use. This is the case where a repeat application of an earlier CTM is made in order to avoid the loss of the right as a result of non-use (GC judgment of 13/02/2012, T-136/11, ‘Pelikan’, para. 27). This case needs to be distinguished from the situation where the CTM owner, in accordance with normal business practice, legitimately seeks to protect variations of its sign, for example, where there has been an evolution of a logo (GC judgment of 13/02/2012, T-136/11, ‘Pelikan’, paras 36 et seq.).

USPTO

Each case is fact specific and a judge would have great discretion in assessing a lack of intent to use.

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

JPO

“RC TAVERN” case (Intellectual Property High Court (Gyo-ke) No. 10019 2012, Date of Court Decision May 31, 2012. Rescission of a trial decision)

The principal paragraph of Article 3, Paragraph (1) of the Trademark Act stipulates the requirement for trademark registration as “[A]ny trademark to be used in connection with goods or services pertaining to the business of an applicant.” “Any trademark to be

used in connection with goods or services pertaining to the business of an applicant” means any trademark actually used in connection with goods or services relating to the business of applicants at least at the time of registration decisions, or any trademark with applicants’ intent to use for goods or services relating to the business of the applicants in future.

When the above requirement is applied to the “RC TAVERN” case, let’s consider the details of the case as follows:

(1) Since around September 17, 2009, the plaintiff was advertising and promoting, mainly in central Tokyo, a restaurant with the name “RC TAVERN.” The plaintiff used a trademark consisting of the Roman alphabet words “RC TAVERN” in the upper part and the Japanese katakana characters “アールシータバーン” in the lower part (a trademark being used by the plaintiff).

(2) On October 1, 2009, the plaintiff opened the restaurant bearing the trademark in Marunouchi, Chiyoda-ku, Tokyo, engaging in providing food and beverage services.

(3) The defendant filed an application to register the subject trademark in this case on October 24, 2009, and obtained trademark rights for this trademark on March 26, 2010. However, since then and up to the present, the defendant has never used this registered trademark for the designated services of “providing foods and beverages” or for any other purposes/services in other businesses.

(4) The registered trademark in this case is similar to a trademark being used by the plaintiff.

(5) A trademark being used by the plaintiff is a coined word by combining the letters “RC,” which are the acronym of the letters of a restaurant “Rose & Crown” managed by the plaintiff; and the word “TAVERN,” which generally means a drinking spot or bar, and is particularly distinctive. Also, the filing date of the trademark in this case was very close to the timing of advertising and promoting the restaurant as well as the opening date of the restaurant. Based on these facts, it could be determined that, after recognizing the trademark being used by the plaintiff, the defendant filed a trademark application to register the subject trademark in this case, which is similar to the plaintiff’s trademark.

(6) Furthermore, in addition to the subject trademark in this case, the defendant filed applications to register 44 trademarks in a short period between June 27, 2008 and

December 10, 2009, and obtained trademark rights for them. Nonetheless, since then and up to the present, the defendant has never used these registered trademarks for the designated services or for any other businesses. The scope of the designated services is also excessively wide and lacks consistency. Moreover, for 30 of these trademark registrations, there are shops and companies that are actually using similar trademarks and trade names without any relation to the defendant. And, from what we can confirm at this point, for 10 of them, the defendant's trademark applications were filed after the actual use of others' trademarks and trade names that were similar to the defendant's trademarks.

Considering all of the above circumstances, it is very likely that, for certain trademarks or trade names being used by others, the defendant filed trademark applications with a wide variety of the designated services. As a result, it should be determined that the defendant has been merely collecting trademark registrations. Consequently, the subject trademark in this case does not fall under a trademark that is actually used in connection with goods and services relating to the business of the defendant at the time the decision to register it was decided. In addition, it is also difficult to admit that the defendant had the intent to use this registered trademark for goods or services relating to his own business in the future.

Accordingly, in regard to the subject trademark in this case, the trademark registration cannot be acknowledged to have been registered for "any trademark to be used in connection with goods or services pertaining to the business of an applicant." It should be determined that this trademark registration is a violation of the principal paragraph of Article 3, paragraph (1) of the Trademark Act.

OHIM

Please find attached the following judgments of the Court of Justice of the European Union (General Court and Court of Justice):

- ☐ ☐ CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase';
- ☐ ☐ GC judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL';
- ☐ ☐ GC judgment of 14/02/2012, T-33/11, 'BIGAB'
- ☐ ☐ GC judgment of 13/02/2012, T-136/11, 'Pelikan'

USPTO

Honda Motor Co. v. Friedrich Winkelmann, 90 USPQ2d 1660 (TTAB 2009). This case represents an example of a Trademark Trial and Appeal Board decision finding that the applicant did not have a bona fide intent to use. The applicant, Friedrich Winkelmann, applied to register the mark V.I.C. for transportation vehicles under Section 44(e) of the Trademark Act (based upon a German registration), which requires an assertion of a bona fide intent to use in commerce. The application was opposed by Honda Motor Co. on grounds of likelihood of confusion and lack of bona fide intent to use in commerce. Applicant Winkelmann responded to Honda's interrogatories (discovery requests) that he "has not had activities in the U.S. and has not made or employed a business plan, strategy, arrangements or methods there" and "has not identified channels of trade that will be used in the United States." The Board held that the lack of documents verifying bona fide intent to use the mark is sufficient to establish a rebuttable presumption that the applicant lacks such intent. The Board held that applicant must rely on specific facts that establish the existence of an ability and willingness to use the mark in the U.S. at the time of filing the application, and that the applicant failed to prove bona fide intent.

Nintendo of America, Inc. v. Adar Golad, Opposition No. 91178130, 2011 WL 2360099 (TTAB May 31, 2011) [not precedential]. The Trademark Trial and Appeal Board (TTAB) found that there was no business plan or any other documentation showing plans to "advertise, manufacture or otherwise use the mark FLASHBOY in commerce on the goods for which applicant seeks registration." In order "[t]o show a bona fide intent to use, there must be 'objective evidence,' that is evidence in the form of 'real life facts and by the actions of the applicant.' J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 19:14 (4th ed. 2009). There should be some 'definite' (if not necessarily 'concrete') plan by applicant. For example, 'written plan of action for a new product or service,' or a 're-branding of an existing line of goods or services.' *Id.*" Although Applicant had foreign trademarks and a European patent, Applicant did not establish "a nexus as to how these would be used to launch FLASH BOY for the presently applied-for goods."

Q2. From The View of “Unfair Intention” Except for Q1

Is there any legislation for refusing an application (or invalidating the registration) on the basis of unfair intention, except for cases that fall under Q1? (Yes/No)

Q1 以外の場合を除いて、不正目的による出願を拒絶する（又は登録を無効にする）法制があるか。

JPO

Yes.

KIPO

Yes.

OHIM

The legislation is the same as referred to under Q1. In order to find out whether the owner has been acting in bad faith at the time of filing the application, an overall assessment must be made in which all the relevant factors of the individual case must be taken into account. One factor of particular relevance is the dishonest intention of the CTM owner. This is a subjective factor that has to be determined by reference to objective circumstances.

SAIC

Yes.

USPTO

Although the U.S. does not have a stand-alone refusal for bad faith, bad faith is one of the factors the TTAB or a court will weigh in determining likelihood of confusion. Bad faith may also be addressed through challenges on the grounds of misrepresentation of source under Trademark Act Section 14(3).

IF YES:

- i) Please provide provision(s) of the relevant laws or regulations.

JPO

As a provision for refusing an application on the basis of unfair intention, Japan has Article 4, Paragraph (1), Item (xix) of the Trademark Act.

The trademark is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to the purpose of gaining unfair profits, the purpose of causing damage to the other person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding Items);

Also, although Japan does not have a stand-alone refusal for bad faith, a case in which applications are contrary to the public interest and/or international fidelity, Article 4, Paragraph (1), Item (vii) may be applicable.

Article 4, Paragraph (1), Item (vii)

The trademark is likely to cause damage to society and public morality;

KIPO

Trademark Act Article 7(1)(12)

OHIM

Please see answer to Q1 above.

SAIC

Article 32 of the "Trademark Law" provides that, no trademark application shall cause damage to the right previously held by another party when filing, nor shall an applicant rush to register in an unfair manner a trademark that is already in use by another party and that enjoys substantial influence.

Paragraph 2 of Article 15 of Trademark Law provides that, Where a trademark applied for registration is identical with or similar to an unregistered trademark of another party in prior use on identical or similar goods, and the applicant has a contract, business relationship or other relationship other than that prescribed in the preceding paragraph with that party, thus the applicant is fully-aware of the existence of the trademark of that party, this application for registration shall be refused upon the opposition filed by that party.

USPTO

The United States does not have laws or regulations relating to bad faith; however, bad faith is a factor the TTAB or a court will weigh in determining likelihood of confusion. A likelihood of confusion analysis has been developed through case law. *See, e.g., In re E.I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (CCPA 1973); *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961). Please note, however, that it is not necessary to prove bad faith in order to establish a likelihood of confusion.

ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

JPO

At the time of final decision by examiners.

KIPO

At the time when the bad-faith applicant's trademark application filed with the Korean Intellectual Property Office (hereinafter "KIPO")

OHIM

Please see answer to Q1 above.

SAIC

The above provisions may apply during the proceeding of a trademark opposition and the proceeding for appeal/trial, after the final decision of examination is submitted by the examiners.

USPTO

An examiner would not consider bad faith in a likelihood of confusion analysis during examination. The TTAB or a court would consider the bad faith intent of the applicant at the time of adopting the mark or filing for an intent-to-use application.

- iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

JPO

An application on the basis of unfair intention may be refused by ex-officio examination. Additionally, it may be determined in opposition proceedings or cancellation trials.

KIPO

The above provision can be determined by ex-officio examination. Further, during an opposition or invalidation action, the plaintiff can also raise an argument that a mark is filed with unfair intention.

OHIM

Please see answer to Q1 above.

SAIC

They may apply during the proceedings of opposition and for trial/appeal afterward.

USPTO

In the United States, bad faith is not considered during ex-officio examination. A determination of bad faith in a likelihood of confusion analysis is left to opposition or

cancellation of a registration.

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

JPO

The burden of proof in establishing bad faith rests on parties who claim that there is bad faith intent.

KIPO

In general, the owner for well-known or famous mark bears the burden of proving there was bad faith in filing the bad-faith trademark application.

OHIM

Please see answer to Q1 above.

SAIC

There is a principle of burden of proof, which is subjected to the holder of a trademark. For example, a case where an applicant files a large number of other trademarks of other persons and is subjected to opposition, and a right holder of the trademark submits other proofs of the bad faith, is presumed to be bad faith and the bad faith is established. There are a few cases where bad faith is presumed and established.

USPTO

The burden of proof to establish likelihood of confusion, and any assertion of bad faith, is on the opposer, who must establish its case by a preponderance of the evidence. The Board or courts will consider circumstantial evidence to determine whether there is bad faith intent. Once an opposer has established a prima facie case that the applicant acted in bad faith, the burden would shift to the applicant to prove that it had not acted in bad faith.

Some courts have held that a finding of culpable intent creates a “presumption” that confusion is likely, i.e., it is presumed that the applicant intended to cause confusion and that they were successful. Other courts have held that intent creates an “inference” that consumers are likely to be confused, and still others will simply give this factor great weight in a likelihood of confusion analysis.

v) Please provide examination guidelines.

JPO

Article 4(1) (xix) (Trademark Identical with or Similar to Another Person's Well-Known Trademark which is Used by the Applicant for an Unfair Intention)

1. For example, trademarks presented below fall under the provision of this paragraph.
 - (a) A trademark of which the registration is sought to, taking advantage of a well-known foreign trademark or a trademark similar thereto being not registered in Japan, force its purchase, prevent a market entry by the owner of that foreign trademark or force the owner of that foreign trademark to conclude an agent contract
 - (b) A trademark identical with or similar to a trademark well known throughout Japan, for which an application is filed with an intention to dilute the distinctiveness of the well-known trademark to indicate the source of goods or impair the reputation, etc. of the trademark owner, however the trademark of that application per se is not liable to cause confusion over the source of goods.
2. Trademarks "well known among consumers" as stipulated in this paragraph not only mean trademarks widely known to final users but include trademarks widely recognized among traders.
3. Trademarks "well known among consumers ... abroad" as stipulated in this paragraph need to be well known in the countries they originate from but not necessarily need to be well known in multiple countries outside those countries. Nor do they in Japan.
4. A judgment on an "unfair purposes" needs to be made with full consideration given to the following materials, if available.
 - (a) Materials proving a fact that another person's trademark is well known among consumers (the period, scope, frequency of its use)
 - (b) Materials showing that a well-known trademark is composed of a coined word or particular in composition
 - (c) Materials proving a fact that the owner of a well-known trademark has a concrete plan to make a market entry in Japan (such as, for example, exportation to Japan, sales in Japan, etc.)
 - (d) Materials proving a fact that the owner of a well-known trademark has a plan to expand its business in the near future (such as, for example, the start of a new business, development of its business in new areas, etc.)
 - (e) Materials proving a fact that the owner of a well-known trademark is forced to accept a demand from a trademark applicant for the purchase of a trademark in question, the conclusion of an agent contract, etc.
 - (f) Materials showing that a trademark, if used by its applicant, is liable to impair credit, reputation, consumers-attractiveness built up in a well-known trademark

5. A trademark in correspondence to (1) and (2) is considered to guess what the trademark is used with unfair intention.
- (1) A trademark which is identical or very similar to a well-known trademark in other countries or a trademark well-known throughout Japan.
- (2) The above-mentioned well-known trademark is composed of a coined word or particular in composition.
6. Judgment of whether the trademark is well known or not apply mutatis mutandis Article 3(8) (Article 4(1)(x)) of the guidelines.

Article 4(1)(vii) (Contravention of Public Order or Morality)

1. Trademarks that are “...likely to cause damage to public order or morality” are trademarks which are letters or diagrams, in composition per se, outrageous, obscene, discriminative or unpleasant to people, or trademarks which are, irrespective their unobjectionable composition, liable to conflict with the public interests of the society or contravene the generally-accepted sense of morality if used for designated goods or designated services.
- It is judged whether “letters or diagrams are discriminative or unpleasant to people,” with consideration given to their historic backgrounds, social impacts, etc. from a comprehensive viewpoint.
2. Trademarks with their use prohibited by other laws, trademarks liable to dishonor a specific country or its people or trademarks generally considered contrary to the international faith are judged to fall under the provision of this paragraph.

OHIM

Please see answer to Q1 above.

USPTO

Examination guidelines are not applicable for a determination of bad faith since an examiner will not consider intent during examination.

KIPO

Examination Guidelines Section 26.

SAIC

In order to determine whether bad faith (misappropriation) is present or not, the following factors shall be totally considered:

- (1) Whether a trade relationship or a cooperative relationship existed or not

between the applicant of the pending trademark and the holder of the trademark:

- (2) Whether the common area of the applicant of the pending trademark and the holder of the trademark or the goods/services of the both sides are within the same sales route and range or not:
- (3) Whether another conflict has been present between the applicant of the pending trademark and the holder of the trademark or not, and whether the both sides knew trademark of a prior user or not:
- (4) Whether intercommunication between the applicant of the pending trademark and the members of the holder (organization) of the trademark has been made or not:
- (5) Whether the applicant of the pending trademark intends to gain unfair profits after registration or not, and whether the applicant of the pending trademark conducts misleading advertisement, enforces dealing and partnering (on a trademark) to the prior user, releases the trademark to the prior users or other persons at a high price, and charges them a license fee or compensation of infringement of right by utilizing a certain good fame and impact of the trademark possessed by the trademark holder, or not:
- (6) Whether the trademark has more significant originality than trademarks of other persons or not; and
- (7) cases considered as misappropriation

vi) Please provide examination practices.

For example, how are the following facts or circumstances considered, in regard to unfair intension?

-Applicants' actions or facts involved with filing, such as business partnerships, prior business contacts, demands to buy filed or already registered trademarks, etc. In addition, does it make a difference if the demand for compensation is disproportionately high?

Whether there is relationship between the applicant and trademark owner is one of the factors in determining whether there was unfair intention in filing trademark application.

OHIM

The existence of a direct or indirect relationship between the parties prior to the filing of the CTM is a relevant factor when assessing the existence of bad faith.

A request for compensation by the CTM owner to the invalidity applicant (even a seemingly disproportionate compensation) does not, in itself, and in the absence of other indications, establish bad faith (judgment of 01/02/2012, T-291/09, ‘Pollo Tropical CHICKEN ON THE GRILL’, paras. 88-89).

SAIC

Please see answer to v) above.

USPTO

These factors would be considered by the TTAB or a court in determining intent, and would likely weigh in favor of a finding of bad faith.

- In cases when applicants designate a wide variety of classes or a large number of goods or services

KIPO

Case No. 2007Heo2626 rendered on June 25, 2008 by the Patent Court, the above was considered as one of the factors in recognizing the unfair intention in filing trademark application.

OHIM

Please see answer to Q1 above.

USPTO

As noted above, the fact that an applicant has designated a wide variety of goods or services but cannot show evidence of intent to use in commerce may lead to a determination of a lack of bona fide intent to use and may also weigh in favor of a finding of bad faith and likelihood of confusion.

- In cases when applicants file a large number of applications for trademarks of others

KIPO

Case No. 2002Dang3052 rendered on Dec. 15, 2003 rendered by Intellectual Property Tribunal, the above factors was considered as one of the factors in recognizing the unfair intention in filing trademark application. This case was appealed by the registrant for SamsCulb mark and the IPT's decision was supported by the Patent Court. In this regard, please be advised that the Patent Court did not mention the above as one of factors in recognizing the unfair intention in filing trademark application.

OHIM

Please see answer to Q1 above.

USPTO

Filing for a large number of applications for the trademarks of others could be considered evidence of bad faith. *See, e.g., L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434 (TTAB 2012) (applicant found to have acted in bad faith and lacked bona fide intent to use because of pattern of filing ITU applications for disparate goods under the well-known or famous marks of others).

- Are there other reasons affecting decisions on unfair intentions?

KIPO

- (i) the degree of fame of the well-known/famous mark;
- (ii) the degree of creativity of the well-known mark;
- (iii) whether the applicant prepared for a business using the registered trademark; or
- (iv) whether the designated goods/services are same or similar, or have economic relationship.

OHIM

Please see answer to Q1 above.

USPTO

The TTAB or a court has broad discretion to consider any number of factors that could provide circumstantial evidence of bad faith. For example, if an applicant has acted in bad faith during discovery and has not been forthcoming, this could be evidence of bad faith in adopting a mark.

- Is any relationship between the original owner of the trademark and the applicant required?

JPO

The following are not mandatory requirements, but are factors to be considered in determining whether bad faith exists: (1) background involved with application, (2) applicants designated an excessively broad range of classes or goods or services, (3) applicants filed a large number of applications for unregistered trademarks of others, and (4) the relationship between the original owner of the trademark and the applicant.

The following gives relevant examples of court decisions: (1) “DUCERAM” Case: the court decided that the case would fall under Article 4, Paragraph (1), Item (vii) based on the illegality in negotiations with a foreign company and the applicant’s facts involved with filing, regardless of the well-known status of the foreign trademark (Tokyo High Court (Gyo-ke) No. 185 1998, Date of Court Decision November 22, 1999), and (2) “Asrock” Case: in this case, the court considered the circumstances; “(a) there was doubt as to whether the applicant was actually engaged in the manufacture and sale of goods related to electronic apparatus and devices,” and (b) “the applicant filed a large number of trademark applications related to electronic apparatus and devices, although there seemed to be almost no evidence to substantiate the applicant’s business activities (Intellectual Property High Court (Gyo-ke) No. 10297 2009, Date of Court Decision August 19, 2010). (For other examples or the details of court decisions, please see vii) below.)

KIPO

No. However, if there is any relationship between the original owner of the trademark and the applicant, the possibility of recognizing the unfair intention by the IPT and/or Court become higher

OHIM

Such a relationship is not a condition for a finding of bad faith, but it is a relevant factor that is taken into account in the assessment, in particular when there has been a prior contractual or pre-contractual relationship giving rise to a duty of fair play.

USPTO

No, an opposer does not need to prove a relationship between the original owner of the trademark and applicant in order to establish bad faith.

- vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

JPO

○"Asrock" case (Intellectual Property High Court (Gyo-ke) No. 10297 2009, Date of Court Decision August 19, 2010)

The Asrock case is a court case in which the court decided that the case would fall under Article 4, Paragraph (1), Item (vii), regardless of whether the cited trademark was well-known and/or famous at the time of filing. The reasons of this court decision are as follows: (1) when it has been confirmed that the applicant (the defendant) filed the trademark application preemptively by plagiarizing the other person's trademark, such trademark application could not be reasonably admitted on the basis of the spirit of the law, even though the first-to-file system exists in Japan in terms of filing trademark applications and the actual use of trademarks is not a requirement for registration, and (2) the defendant's trademark registration was also considered to be against the purpose of the Trademark Act, namely, Article 1, and obstructing fairness and justice in the trademark system.

○"KYOKUSHIN" case: Intellectual Property High Court (Gyo-ke) No.10032 2005, Date of Decision December 26, 2006. Rescission of a trial decision.

The KYOKUSHIN case is a court case in which the subject trademark was determined to fall under Article 4, Paragraph (1), Item (vii). In other words, the conditions of the case were: (1) the background of the trademark application significantly lacked social mores, and (2) the approval of the trademark registration was manifestly intolerable as a trademark that was against the public mores and morality, which are implied in the Trademark Act.

○"DUCERAM" case: Tokyo High Court (Gyo-ke) No. 185 1998, Date of Decision November 22, 1999.

The DUCERAM case is a court case in which the subject trademark was determined to fall under Article 4, Paragraph (1), Item (vii), based on the illegality in negotiations with a foreign company and the background facts involved with filing, regardless of the well-known status of the subject foreign trademark.

○"Kranzle" case: Intellectual Property High Court (Gyo-ke) No. 10668 2005, Date of Decision December 12, 2005.

The Kranzle case is a court case in which the subject trademark was determined to fall under Article 4, Paragraph (1), Item (vii). In the Kranzle case, the plaintiff (the applicant of the subject trademark) claimed that Article 4, Paragraph (1), Item (vii) stipulates that a trademark is to be prohibited on the basis of public benefit, and that a self-oriented private interest should not be subject to Article 4, Paragraph (1), Item (vii). On the other hand, the defendant claimed that the plaintiff had filed the trademark application for unfair purposes without the defendant's permission, only with reference materials showing that the plaintiff had been the defendant's distributor in Japan. In other words, the defendant insisted that the plaintiff's trademark registration was absolutely intolerable and was not due to a merely private interest claimed by the plaintiff, because; (1) the plaintiff had filed the trademark application by pretending to gain acceptance or consent of the Kränzle company of Germany (the defendant) and had obtained trademark rights for this trademark, (2) accordingly, the applicant's background with this trademark registration significantly lacked social validity, and (3) the approval of this trademark registration would disrupt business transactions and be ultimately contrary to international fidelity.

KIPO

Case No. 2007Heo2626 rendered on June 25, 2008 by the Patent Court (this case was supported by the Supreme Court)

The Court stated that the Defendant (the registrant for TOM & JERRY mark) had filed the "TOM & JERRY with device (Subject Mark) in unfair intention, i.e., as an imitation of the owner for famous TOM & JERRY Character mark (Plaintiff)'s character to exploit or cause damage to the Plaintiff or its licensees. It reasoned:

- (i) The Plaintiff had already registered 13 trademarks in Korea for the TOM & JERRY character and/or words, one of which was almost identical to the Subject Mark.
- (ii) The Defendant later filed and registered 50+ marks for Tom and/or Jerry Characters, some of which were identical to the Plaintiff's marks registered in Korea.
- (iii) The licensees in Korea had sold considerable quantities of goods bearing the Plaintiff's character.
- (iv) Since December 28, 2007, the Tom and Jerry Story (<http://www.tomandjerry.kr>; the Defendant's representative online seller) posted that "Warner Bros." had granted it a trademark license and it was the worldwide, exclusive manufacturer of TOM & JERRY bedding.
- (v) Since February 22, 2007, the Defendant demanded that the Plaintiff's local licensees cease use of the TOM & JERRY character due to trademark infringement, while thereafter insisting that these licensees execute license agreements with the Defendant.

OHIM

Please see answer to Q1 above.

SAIC

(1) No. 1611206 "黑面蔡" trademark opposition issue: 廖照雄氏(hereinafter referred to as an opponent) employing Beijing 天平 Patent & Trademark Agent Ltd. as an agent submitted opposition to 錦美食品 SHOKO (hereinafter referred to as appellee) employing Sichuan Trademark Office as an agent regarding to Trademark No. 1611206 "黑面蔡" which passed the early examination of our office and appeared in the "trademark bulletin," and our office accepted the opposition based on Section 30 of the "China Trademark Law." The appellee has not answered to it within a predetermined time limit.

The reason for the opposition of the opponent: the trademark “黑面蔡” is originally possessed by 黑面蔡 Food Co. Ltd., and it is mainly used for beverage-based goods, the “黑面蔡” brand has extremely high name recognition in Taiwan and all places where Taiwanese are living. The opponent is one of the executive directors of 黑面蔡 Food Co. Ltd. On September 25 in 1996, the opponent purchased 56 trademarks including “黑面蔡” through the Taiwan Court and got their right of exclusive use.

The name of the holder (appellee) of the trademark right of the said opposition issue is 錦美 Food SHOKO, and the person in charge of this company is Mr. 江美珠 who is also the supervisor of 黑面蔡 Food Co. Ltd.

Trademark "黑面蔡" is a famous brand created by 黑面蔡 Food Co. Ltd., so, Mr. 江美珠 should know that Trademark "黑面蔡" and 56 trademarks of "黑面蔡" are already belonged to the opponent. The act of the holder (appellee) of the trademark right is a misappropriated application, and use and registration of the trademark under opposition has extremely damaged the opponent i.e. the original right holder of the trademark "黑面蔡."

The view of our office based on statements of facts and reasons by the party concerned is as follows: Trademark "黑面蔡" under opposition is a trademark of pure Chinese (spelling), which is registered on April 24 in 2000 and designated to goods, such as "bovine milk beverage (mainly made of bovine milk)" in 29th class, milk tea (mainly made of milk), and cacao bovine milk (mainly made of milk). The opponent calls himself as the holder of the right of Trademark "黑面蔡," and the appellee has filed and

registered the said trademark. At the same time, the opponent provided the following sources of evidence (copy):

1. Registration document of 黑面蔡 Food Co. Ltd.
2. Trademark transfer registration literature published by Central Standards Division, Economic Department, Taiwan Ministry;
3. The registration card of Trademark "黑面蔡" in Taiwan;
4. The employer certificate of registration of 錦美 Food SHOKO, etc.

Evidence 1. Name of Mr. 廖照雄 appears in the name list of the executive board members of 黑面蔡 Food Co. Ltd.

Evidence 2. The opponent has acquired the rights of trademarks No. 119123, 123596, etc, (Taiwan area) through cession and registered of the transfer at Central Standards Division, Economic Department, Taiwan Ministry.

Evidence 3. The holder of the right of No. 119123 Trademark "黑面蔡" (Taiwan area) is Mr. 廖照雄 i.e. the opponent.

Evidence 4. The person in charge of 錦美 Food SHOKO i.e. holder of the said trademark (appellee) is Mr. 江美珠. Although the above sources of evidence are copies, the relative relationship of them can be proofed, thereby, they are worthy of belief for our office. Therefore, the holder of the said trademark (appellee) should know the fact that Trademark "黑面蔡" is possessed by the opponent in Taiwan area. Nevertheless, the act of the holder of the said trademark (appellee) for filing to register objected Trademark "黑面蔡" with respect to our office acts against the principle of faith and trust.

On the basis of Section 33 of the "China Trademark Law," our office decided this case as follows: the reason for opposition of the opponent establishes, thereby, registration of Trademark No. 1611206 "黑面蔡" is not permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied to this decision, the party concerned can apply for a new trial to Trademark Tribunal within fifteen days from the date of this decision.

(2) No. 1033444 Crayon Shin-chan figure trademark disputed issue:

The pending trademark is filed to the Trademark Office on January 9, 1996, by Guangzhou city 誠益 Glass Company and registered on June 21, 1997, and designated to use for goods, such as, clothes of 25th class, subsequently the expiring date of the right of trademark was extended to June 20, 2017 through a renewal procedure.

Through the Trademark Office, firstly, the pending trademark was previously transferred to the 響水県世福経済発展 Inc. and after that, transferred to 江蘇蠟筆小新服飾 Inc. That is, it is the appellee of this opposition issue.

The opponent (Japan Futabasha Publishers, Ltd.) required for revoking the registration of the pending trademark on March 8, 2007.

The actual condition of the misappropriated application by the original holder of the right of the pending trademark (Guangzhou city 誠益 Glass Company): Guangzhou city 誠益 Glass Company has filed and registered the following trademarks in a number of categories, such as, categories of 9th, 18th, 25th, 44th:

「SNOOPY」、「史诺比」、「梦迪娇」、「蒙特娇」、「浪琴」、「Burberrys」、「CHANEL」、「WALT DISNEY」、「POLO CLUB」、「Gillette」、「VOLVO」、「高露洁」、「GUESS」、「Calvin Klein」、「BETU」、「百图」、「FENDI」
"SNOOPY," "史诺比," "梦迪娇," "蒙特娇," "浪琴," "Burberrys," "CHANEL,"
"WALT DISNEY," "POLO CLUB," "Gillette," "VOLVO," "高露洁," "GUESS,"
"Calvin Klein," "BETU," "百图," "FENDI"

The above trademarks have been opposed and applied for a new trial, or required for revoking the registration as improper trademarks by the holders of relevant right. Both of the Trademark Office and our Committee determined that the former holder of the right of the pending trademarks has copied or imitated well-known trademarks with bad faith, and, as a result of total consideration of the actual conditions of other trademarks that are the same as or similar to well-known trademarks, filed and registered by the former holder of the pending trademarks, decided to revoke the registration of the respective trademarks based on the ground that the holder acted against the principle of faith and trust and mislead consumers.

The main claim of the opponent (Japan Futabasha Publishers, Ltd.): artworks of "蠟筆小新" (Crayon Shin-chan) are works designed uniquely by Mr. Usui Yoshito, and it is

impossible for the holder to design the same person perfectly.

Since the image of "Crayon Shin-chan" is spread broadly in China with high name recognition, it is difficult for the holder to say that he did not know the fact, thereby, holder's intention of plagiarism and misappropriated application are very clear.

The original holder of the pending trademark (Guangzhou city 誠益 Glass Company) has filed misappropriated applications of total nine trademarks including the pending trademark in classes of 9th, 16th, 18th, 25th and 28th, further profited unfairly through transferring the misappropriate trademarks, thereby the bad faith of the holder is clear.

The original holder of the pending trademark (Guangzhou city 誠益 Glass Company), not only filed misappropriated application of the trademark of "Crayon Shin-chan" series of the opponent, but also filed and registered nearly 50 famous trademarks of other parties in 9th class, after that.

Examples of them include globally famous brands, such as Colgate, SNOOPY, and 7UP.

The former holder of the pending trademark (Guangzhou city 誠益 Glass Company), has filed misappropriated application of other party's trademarks for a long time period, thereby, the company can be seen as an unfair company.

The above act of the original holder of the pending trademark is already recognized as an act of unfair competition constituting infringement of other party's right and misappropriated application of other party's trademark by Beijing high people's Court.

The characters and figures of "Crayon Shin-chan" submitted by the opponent as sources of evidence have stronger originality and obviousness, and they are already known with comparatively high name recognition in Japan, Hong Kong, and Taiwan before filing of the pending trademark.

Since the hub of the original holder of the pending trademark is Guangzhou neighboring to Hong Kong, the holder must be aware of the characters or images for animation of "Crayon Shin-chan" by judging from the name recognition of "Crayon Shin-chan," and the fact of filing and registering the trademark of them in Mainland China in spite of this, gives subjective bad faith.

As a result of totally considering the fact that the original holder of the pending trademark has filed misappropriated application of other party's famous trademarks in a large scale, the act of the original holder to file and register the pending trademark acts against the principle of faith and trust, disturbs management and order of Trademark registration and public order, damages public benefit, thereby registration of the pending trademark falls under "registration under other unfair measures" in Section 41(1) of the "Trademark Law."

Therefore, according to provisions of Section 41(1) and Section 43 of the "China Trademark Law," our Committee decided as follows: registration of the pending trademarks shall be revoked.

(3) No. 4809737 Trademark "ERE" disputed issue:

The applicant (東方希望包頭稀土鋁（鋁）業有限責任公司) request the appellee (the holder of the trademark right: 何天慶370728690812021) to erase registration of registered trademark No. 4809737 "ERE" (hereinafter referred to as the pending trademark). Our Committee legally received the request and constituted a judicial group according to the provision of Act 24 of "Trademark Review and Adjudication Rules" and legally held a trial.

Allegations of the opponent:

1. "ERE" i.e. the pending trademark is the abbreviated name of the English name of the opponent company, the opponent has been using Trademark "ERE" in manufacture and sale of an aluminum metal, since the company was established on October 28, 2003, and the beginning time of its use is clearly before the filing date of the pending trademark.
2. The "ERE" aluminum metal produced by the opponent has substantial influence in markets all over the country, and the opponent has also received high concern and support of the (Communist) party and Government as one of important project among national high recommendation enterprises. Moreover, since the opponent is a very large-sized aluminum power company, and has also great influence within the industry, the opponent have greatly contributed to society, while developing itself.
3. The appellee (holder of the trademark right i.e. 何天慶), in spite of lacking of producing capacity, has registered Trademark "ERE" for goods in 6th class as a

position of individual and other many trademarks, such as, "齐鲁雄风", "齐鲁骄子", and "巴蜀骄子", however, the holder does not engaged in production and operation of the relevant goods. Moreover, the appellee (holder of the trademark right i.e. 何天慶) and 孫欣 (trademark representative) have a kinship, and 孫欣 has been committed to misappropriated applications of trademarks and unjust extortion acts for a long period and has received written ultimatum from the national Trademark Office.

The appellee, after filing the misappropriated application of Trademark "ERE," using the power of the right has demanded to seizure of "ERE" brand aluminum metals exceeding 1000 tons to the Commerce and industry Office of several countries together with 孫欣 etc. and has wrung money out of the opponent, and as a result the applicant has damaged by exceeding two million yuan. The above act not only breaks the "Trademark Law," but also violates criminal relating laws. Thus, according to provisions in Section 31 and Section 41 of the "Trademark Law," the opponent demands to erase the pending trademark.

The opponent submitted to our Committee main sources of evidence for the following three parts:

Sources of evidence of part I:

1. Documents prepared when the opponent filed Trademark "ERE" on November 5, 2003 and the trademark was registered for goods of rare earth aluminum of 1st class:
2. Press information where, on November 3, 2003, Communist Party Committee Secretary of Inner Mongolia Autonomous Region visited to the opponent and witnessed and stated that representation of "ERE" was printed on the aluminum metal produced by the opponent:
3. Information published by branch of rare earth 高新区 of Baotou Shi Commerce and industry Office, proving the scale of production/sale of aluminum metal products where the opponent used Trademark "ERE":
4. Supply/sales contract (documents, divided to three parts) of aluminum metal products signed between the opponent and Baotou aluminum business stock Inc. in 2004:
5. Information published by two companies, such as, Baotou Shi 青山特鑄 Inc. proving that the opponent has ordered the mold of "ERE" aluminum metal since 2004:

6. Press information regarding aluminum metal relevant to "ERE" of the opponent, appearing in "東方稀鋁（鋁）報" in February and May, 2004, and in January, 2005

Sources of evidence of part II:

1. Information of the opponent regarding production scale, situation of tax payment, and situation of sale/quality of the "ERE" brand aluminum metal products:
2. Press information when the national leader visited to the opponent:
3. Financial report of the opponent from FY2004 to FY2007, and information regarding audit of revenue report in fiscal 2006 and FY2007:
4. The receipts of partial added-value taxes when the opponent sold the aluminum metal products across the country:
5. Vouchers published by nine companies, such as Hangzhou metallic material Limited Company, proving that they purchased "ERE" brand aluminum metal products of the opponent, since 2004:

Sources of evidence of part III:

1. Information regarding results of survey on the other several trademarks possessed by the appellee (the holder of the trademark i.e. 何天慶), such as "齐鲁雄风":
2. Personal information of the appellee (the holder of the trademark i.e. 何天慶), 孫欣 and 何桂芳, such as census register:
3. "Written ultimatum regarding to the act of representative 孫欣 to illegally file a misappropriated application of other party's trademark" published by the Trademark Office in 1998:
4. "Notification of executing enforcement measures" and "notification of suspending treatment" made against the "ERE" brand aluminum metals of the opponent by the Commerce and industry Offices of Zibo, Wuxi, Tianjin and Baotou:
5. Sources of evidence of CD disk in which dialogues when the appellee (the holder of

the trademark right i.e. 何天慶) together with 孫欣 etc. demanded high transfer expenses of the trademark against the opponent is recorded:

Allegations of the appellee (the holder of the trademark right i.e. 何天慶):

1. The appellee satisfies the proactive competency as the applicant of a trademark:
2. Trademark "ERE" did not reach to the standard of a famous trademark, and since no transaction is present between the appellee and the opponent before filing, the appellee did not know the fact that the opponent had already used the pending trademark for aluminum metals. Moreover it was legal for the appellee to register the pending trademark, and the allegations submitted by the opponent are accompanied with no facts.
3. Although the opponent claims the prior use of itself, the Trademark Law of our country is specified to employ the first-to-file rule, and the Trademark Law provides that filing misappropriated application of a trademark that enjoys substantial influence to another party, and the pending trademark does not fall under this case.
4. Even if the opponent used the pending trademark previously for aluminum metals, there is no fact that the opponent used it previously for other goods and also no fact that the pending trademark has comparatively high name recognition.
5. Although the opponent thinks that it is possible to prove that the appellee filed a misappropriated application of other party's trademark, it is not the case.

The results of trial examination and consideration of our Committee are as follows:

1. The pending trademark was filed to the Trademark Office by the holder of the trademark (何天慶) on August 1, 2005, and registered through the Trademark Office on June 7, 2007.

Target products for use are products of 6th class, such as cast steel, a steel wire, a metal plate, an aluminum metal, a metal door, a building with a steel frame structure, alloy steel, a metal instrument, an alloy of common metals, and a metal tube.

2. The holder of the trademark right (何天慶) is one company member of Zhucheng chemical industry Co., Ltd, and is one (founder) of the two stockholders of Shandong

Qilu Trademark Office Inc. 何桂芳 is an elder sister of the holder of the trademark right (何天慶), and another (founder) of the two stockholders of Shandong Qilu Trademark Office Inc. 孫欣 is a husband of 何天慶, and one of executives of Shandong Trademark Office (belongs to the Commerce and industry Office, he does not leave from the office yet). The above facts are documented proofs of trademark papers and statements and sources of evidences of both sides.

Our Committee recognizes that there are two focuses in this disputed issue.

1. Whether the pending trademark is applicable to Section 31 of the "Trademark Law" for "aluminum metals" and similar goods or not.
2. Whether the pending trademark is applicable to Section 41(1) of the "Trademark Law" to erase registrations of the pending trademark for all goods or not.

Our Committee's opinion regarding to focus 1 is as follows:

1. The sources of evidence of parts I and II of the opponent sufficiently prove that, before the filing date of the holder of the trademark right (何天慶), the opponent has already continually used the pending trademark (Trademark "ERE") for products of aluminum metal produced by the opponent, and the pending trademark has had already substantial influence.
2. The decision whether the holder of the trademark right (何天慶) had bad faith or not, is as follows:
 1. Trademark "ERE" is a combination of alphabets with no specific meaning, and has a substantial originality.
 2. The holder of the trademark right (何天慶) does not have production conditions when the pending trademark is used for goods of 6th class.
 3. The evidences 4 and 5 of part III of the opponent prove that, immediately after filing the pending trademark, the holder of the trademark right (何天慶) executed legal enforcement measures of the products of "ERE" brand aluminum metal of the opponent against several Industry & Commerce administrative departments in rapid succession, and more than 1000 tons of cargoes were impounded and seized.

In addition to this, the holder together with 孫欣 threatened the opponent and intended to obtain unfair profit, such as high transfer expenses of the trademark.

From the above three grounds, it is assumable that the holder of the trademark right (何天慶) clearly recognized the pending trademark of the opponent, and then filed the misappropriated application intending profit unfairly, thereby, the holder clearly had bad faith.

Thus, the fact that the pending trademark is registered for "aluminum metal" and the similar goods falls under the situation in Section 31 of the "Trademark Law" where "a misappropriated application of a trademark that is already in use by another party and enjoys substantial influence, is filed in an unfair manner."

Our Committee's opinion regarding to focus 2 is as follows:

Filing and registration of a trademark should satisfy the provision in Section 4 of the "Trademark Law" that "it is required for a natural person, a juridical person and another organization pertaining to production, manufacture, processing, selection and distribution of goods to possess the exclusive registered right of a trademark (relating to the goods) and to file the trademark application of the goods to the Trademark Office, and it is required for a natural person, a juridical person and another organization pertaining to a service to possess the exclusive registered right of a trademark (relating to the service) and to file the trademark application of the service of goods to the Trademark Office."

That is, registration of a trademark should be conducted based on a legitimate operation action, the demand of production, and the purpose of the production.

If registration of a trademark causes unfair profit, misappropriated application, damage the legitimate right of the other party, disruption of management and order of trademarks, and treachery to orderly market of fair competition and faith and trust, the act acts against the above provision, and will fall under the provision in Section 41(1) of the "Trademark Law" that "achieving registration in other unfair manners", thereby, the act should be stopped, and the registration of a trademark registered in an unfair manner should be erased.

In this issue, 1. the holder of the trademark (何天慶) is one of ordinary laborers of a chemical plant and a stockholder of a trademark agent, and did not engaged in the goods

and business for which the pending trademark is used, in the past, and does not have competency for production and operation which are relevant to the goods, and did not move into action of, such as, production and operation which are relevant to the goods, after the registration of the pending trademark, in addition,

in addition to this, in the midst of international financial crunch, the holder, regardless of orderly market and together with 孫欣 etc. executed legal enforcement measures of the products of "ERE" brand aluminum metal of the opponent against Industry & Commerce administrative departments of countries, such as, Zibo, Wuxi, Tianjin and Baotou, in rapid succession, to impound and seize more than 1000tons of cargoes of the opponent, and further, threatened the opponent to pay high transfer expenses of the trademark.

It is proved that in the acts of the holder of trademark right (何天慶) and 孫欣 etc. the purpose of filing and registration of the pending trademark is to obtain unfair profit and not to satisfy the original demand for production and operation action.

In addition, they already have caused extensive damage to the other markets of production and operation, and also have caused very bad influence on orderly market economy, resulting in extensive damage to the public interest of the business managers of related industries.

2. The holder of trademark right (何天慶) etc. while plotted together, have accused Industry & Commerce administrative departments of several countries against the products of the opponent. 孫欣, who is a trademark agent and committed extortion (against other person) in order to obtain unfair profit, is one of executives of Shandong Trademark Office, since 1993, together with his families and friends, he filed a misappropriated application of other party's trademark, and transferred it at high expenses to obtain economic profit in an unfair manner.

On November 11, 1998, the Trademark Office notified Shandong Commerce and industry Office and Shandong Trademark Office to strongly punish 孫欣 in written ultimatum (trademark 監 No.452,1998).

孫欣, not only did not change his behavior while considering of his own motive, but also continuously engaged in agency business as a trademark agent together with 何天慶 etc. under the name of Shandong Qilu Trademark Office Inc. Their act of filing a misappropriated application of other party's trademark to obtain unfair profit is very

bad.

On March 18, 2009, the Trademark Office again pointed out Shandong Commerce and industry Office that acts of 孫欣 and 何天慶 etc. already acted against the original intention of the Trademark Law, breached professional ethics of a trademark agent to break the image of the trademark agent, and gave significant loss to related parties and very bad influence to social activity, and thereby, notified the Office to strongly punish 孫欣 and 何天慶 etc. in written ultimatum (trademark 質字 No.57,2009).

The conclusion of the above matters is as follows: the application of 孫欣 and 何天慶 etc. is not intended to conduct production and operation action (relating to the pending trademark), instead, it is a misappropriated application. Their act, by which they obtained an unfair profit while utilizing exclusive registered right protection system of a registered trademark, acted against the intention of the Trademark Law, not only significantly damaged other party's legitimate right and profit, but also, gave very bad influence to social activity, disrupted management and order of trademarks and orderly market economy, and damaged social public interest. The unfair act of filing a misappropriated application acts against Section 4 of the "Trademark Law" providing that a trademark is registered for legitimate production and operation, and falls under the provision that "achieving registration in other unfair manners," thereby, the registration of the pending trademark shall be erased for all designated goods.

Thus, according to Sections 4, 31, 41(1) and (2), and 43 of the "China Trademark Law," our Committee decided as follows:

The registration of the pending trademark shall be erased. The party concerned, if being dissatisfied with this decision, can file an action to Beijing No.1 Intermediate People's Court within 30 days from the date when the party received this written judgment.

At the same time or within 15 days when submitted charging document to People's Court, the party concerned should notify our Committee the charging by sending copy of the charging document by mail or in writing.

USPTO

Estrada v. Telefonos de Mexico, S.A.B. de C.V., 447 F. App'x 197 (Fed. Cir. 2011). The Federal Circuit upheld the Trademark Trial and Appeal Board, finding likelihood of confusion and that the applicant acted in bad faith in adopting the mark. Applicant Andres Estrada filed for the mark AUDITORIO TELMEX for arena services and

entertainment services. Telefonos de Mexico (opposer) challenged the application based on likelihood of confusion with the common law TELMEX mark for telecommunication services. Although Opposer's mark was in use in the U.S., it had no significant market share or proof of fame. Applicant claimed it made up the mark. Opposer has used the TELMEX mark for over 60 years in Mexico for telecommunication services. Applicant lived in Mexico for nearly 30 years, and lived within 10 miles of the AUDITORIO TELMEX arena sponsored by Opposer, and exhibited bad faith in litigating the case. Under these circumstances, the Court agreed that Applicant's bad faith weighed in support of a finding of likelihood of confusion. 447 F. App'x 197 (Fed. Cir. 2011).

Carr v. Garnes, Opposition No. 91171220, 2010 WL 4780321 (TTAB Nov. 8, 2010) [not precedential]. The TTAB found a likelihood of confusion between the mark FROM AFROS TO SHELLTOES ART, ACTION, AND CONVERSATION for educational services, namely, conducting workshops and seminars in arts and entertainment, hip-hop, cross generational relationships, community building, and art as a political force to lessen misunderstandings between civil rights and hip hop generations, and the common law mark AFROS-N-SHELLTOES ENTERTAINMENT for "disc jockey services and artist management and promotion services, including the representation of rappers, singers and poets, as well as the representation of managers who want to promote their acts and groups." The TTAB found that Applicant Garnes acted in bad faith. Carr had spoken with attorney Marvin Arrington in 2004 regarding his business. Seven months later the attorney formed a corporation with Applicant Garnes and filed the application. Moreover, the parties are both located in Georgia, advertise in the same newspaper, and use the unusual term "shelltoes" in their marks. Applicant did not give an explanation as to how he came to adopt his mark under these circumstances. The TTAB sustained the opposition on the grounds of likelihood of confusion based on the similarity of the marks and services, the identical trade channels, and the fact that applicant acted in bad faith.

Q3. From The View of “Protecting Well-Known/Famous”

Can a bad-faith filing be refused (or invalidated) based on legislation for well-known/famous marks, including protection against trademark dilution? (Yes/No)

JPO

Yes.

KIPO

Yes.

OHIM

There is no separate legislation with regard to bad faith relating to a well-known or famous mark. However, the degree of inherent or acquired distinctiveness enjoyed by the invalidity applicant's sign and by the CTM owner's sign are relevant factors when assessing bad faith (CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase').

SAIC

Yes.

USPTO

Yes, a bad faith filing may be refused or invalidated based on legislation for well-known/famous mark, including trademark dilution.

IF YES:

- i) Please provide provision(s) of the relevant laws or regulations.

JPO

Article 4, Paragraph (1) "Notwithstanding the preceding Article, no trademark shall be registered if the trademark:"

Item (x)

"[the trademark] is identical with, or similar to, another person's trademark which is well known among consumers as that indicating goods or services in connection with the person's business, if such a trademark is used in connection with such goods or services or goods or services similar thereto;"

(xv)

"[the trademark] is likely to cause confusion in connection with the goods or services pertaining to a business of another person (except those listed in items (x) to (xiv) inclusive);"

(xix)

"[the trademark] is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to

the purpose of gaining unfair profits, the purpose of causing damage to the other person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding items);

KIPO

TMA Article 7(1)(12)

OHIM

Please see answer to Q1 above.

SAIC

Section 13 of the "Trademark Law" provides that "where a mark is the reproduction, imitation, or translation of other party's famous trademark which has not been registered in China in respect of identical or similar goods, which may cause public confusion, no registration shall be granted and the use of the mark shall be prohibited." Where a mark the a reproduction, imitation, or translation of other party's famous trademark which has already been registered in China in respect of different or non-similar goods, which may mislead consumers and cause damage the interests of the registrant of the famous trademark, no registration shall be granted and the use of the trademark shall be prohibited.

USPTO

In the U.S., well-known marks are protected through a likelihood of confusion analysis (15 U.S.C. §1052(d)), false association (15 U.S.C. §1052(a) and 15 U.S.C. §1125(a)), misrepresentation of source (15 U.S.C. §1064(3)), and dilution (15 U.S.C. §1125(c)). In determining likelihood of confusion, the TTAB or court will weigh a number of factors, including the fame of a mark (how well-known it is), bad faith intent, and similarities of the marks and goods or services. *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961); *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 1462 (Fed. Cir. 1991). The flexibility in having a non-exhaustive list of factors for likelihood of confusion allows the Board or court to balance the factors and use a sliding scale in application: for example, the more evidence of bad faith, the less evidence is needed for establishing similarities in the goods or services and the fame of a mark. Moreover, the Board and the courts have flexibility in determining priority of use. "A party may establish its own prior proprietary rights in a mark through ownership of a prior registration, actual use or through use analogous to trademark use, such as use in advertising brochures, trade publications, catalogues, newspaper advertisements and Internet websites which create a public awareness of the designation as a trademark

identifying the party as a source.” *Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1022 (TTAB 2009).

The Trademark Dilution Revision Act of 2006 (TDRA) (15 U.S.C. § 1125(c)) provides for dilution by blurring or tarnishment. The TDRA defines “dilution by blurring” as an “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous

mark.” The TDRA provides the following list of non-exhaustive factors that courts may consider in assessing dilution by blurring claims:

- (i) The degree of similarity between the mark or trade name and the famous mark.
- (ii) The degree of inherent or acquired distinctiveness of the famous mark.
- (iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.
- (iv) The degree of recognition of the famous mark.
- (v) ***Whether the user of the mark or trade name intended to create an association with the famous mark.***
- (vi) Any actual association between the mark or trade name and the famous mark.

15 U.S.C. § 1125(c)(2)(B). As noted, bad faith intent is a factor considered by the Board or court in determining dilution by blurring.

Bad faith may also be addressed through challenges on the grounds of misrepresentation of source under section 14(3) of the U.S. Trademark Act, 15 U.S.C. § 1064(3). In order to challenge on the grounds of misrepresentation of source, a party may petition to cancel a registration of a mark if the mark is being used by, or with the permission of, the respondent so as to misrepresent the source of the goods or services on or in connection with which the mark is used, regardless of whether the petitioner has used its mark in the United States. The petitioner must show that respondent took steps to deliberately pass off its goods as those of petitioner. *E.g., Bayer Consumer Care AG v. Belmora LLC*, 110 USPQ2d 1623, 1632 (TTAB 2014).

Finally, it is possible for an examiner to refuse registration or a third party to challenge registration under Section 2(a) of the Lanham Act, 15 USC § 1052(a), if a mark falsely suggests a connection with persons, living or dead, institutions, beliefs or national symbols, or brings them into contempt, or disrepute. An examiner may use Section

2(a) to refuse registration even in cases where the name of the well-known person, institution, beliefs or national symbols are not registered. The following factors would be considered:

- (i) The mark is the same as, or a close approximation of, the name or identity of a person or institution;
- (ii) The mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;
- (iii) The person or institution named by the mark is not connected with the activities performed by applicant under the mark; and
- (iv) The fame or reputation of the person or institution is such that, when the mark is used with the applicant's goods or services, a connection with the person or institution would be presumed.

As with claims for likelihood of confusion and dilution, although bad faith intent is not necessary to establish a claim, a finding of bad faith intent would weigh in favor of a finding of false association. *See University of Notre Dame Du Lac v. J.C. Gourmet Food Imports Co.*, 703 F.2d 1372, 1377 (Fed. Cir. 1983).

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.)..

JPO

At the time of filing their applications and at the time of examiners' decision on them.

KIPO

At the time when the bad-faith applicant's trademark application filed with the Korean Intellectual Property Office (hereinafter "KIPO")

OHIM

Please see answer to Q1 above.

SAIC

The above provisions may apply during the proceedings of opposition and proceedings of trial against the examiner's decision of a trademark, after the final decision by the examiners.

USPTO

A mark must be considered well-known or famous at the time the bad faith mark is

adopted.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

JPO

Bad faith filings can be legally refused by ex-officio examination. Furthermore, they can be determined in opposition proceedings or trials for invalidation (cancellation).

KIPO

The above provision can be determined by ex-officio examination. Further, during an opposition or invalidation action, the plaintiff can also raise an argument that a mark is filed with unfair intention.

OHIM

Please see answer to Q1 above.

SAIC

They may apply during the subsequent proceedings of opposition and proceedings of trial against the examiner's decision.

USPTO

An examiner would not typically consider bad faith during ex-officio examination for likelihood of confusion or false association. Bad faith would be considered during opposition or cancellation.

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

JPO

The burden of proof rests on the parties who claim that the said trademark falls under Article 4, Paragraph (1), Item (x), (xv), and (xix).

KIPO

In general, the owner for well-known or famous mark bears the burden of proving there was bad faith in filing the bad-faith trademark application.

OHIM

Please see answer to Q1 above.

SAIC

There are rules of burden of proof, and the holder of a trademark bears it. Examples of case where misappropriation is presumed and established include a case where a trademark under a misappropriated application has sufficient sources of evidence as a famous trademark and a strong originality. There are a few cases where misappropriation is presumed and established.

USPTO

The burden is on the opposer/challenger to prove fame as well as bad faith intent by a preponderance of the evidence. However, an opposer may use circumstantial evidence of bad faith to support its claim, since direct evidence of bad faith is rarely available.

v) Please provide examination guidelines.

JPO

Article 4(1)(x) (Well-Known Trademark of Another Person)

1. “Trademark which is well known among consumers” as prescribed in this paragraph includes not only a trademark which is widely recognized among end consumers but also a trademark which is widely recognized among traders in the industry and also includes not only a trademark which is known throughout the country but also a trademark which is widely recognized in a certain area.
2. A trademark to be cited for the application of the provision of this paragraph needs to be widely recognized among domestic consumers in Japan at a time when an application for the registration of a trademark is filed (refer to Article 4(3).).
3. To prove a trademark’s being well known under the provision of this paragraph, the provisions of Items 3(1) and (2) of Chapter II (Article 3(2)) of the Guidelines apply *mutatis mutandis*.
4. A combination of another person’s unregistered trademark “well known among consumers” and characters or diagrams are, in principle, considered “similar” to the unregistered trademark including those trademarks which the description of the composition of appearance is well united or conceptually related.

However, cases when portions of the unregistered trademark constitute part of an established word or when it is clear that the unregistered trademark is considerably different in appearance sound or concept, then the unregistered trademark will be excluded.

(Examples) Examples are the same as in Item 6(6), Part 9 (Article 4(1)(xi)), Chapter III of the

Guidelines.

5. Concerning a trademark related to goods or services special in the manner of their transaction or provision (for example, goods such as medicines and drugs for medical use which are distributed in a specific market, or services to test and examine medicines or to research medicines which are provided only in a limited market), full consideration needs to be given to, in particular, the actual state of transaction of the goods concerned or the provision of the services concerned with respect to the above 3 proving method and the recognition based thereon of a trademark's being well known.
6. In judging whether a foreign trademark is well known in Japan, full consideration needs to be given to, if submitted, materials showing that the trademark concerned is well known in a foreign country and goods on which the trademark is used are exported to several countries or services bearing the trademark are rendered in several countries.
7. In judging whether trademarks registered as defensive trademarks or those trademarks which the trial decision or the court decision prescribes to be well known among consumers (Note 1), it shall be assumed from the registration or the approval that the trademark is well known among consumers.

(Note 1) Trademarks may be searched through the Internet under “Japanese well-known trademarks” in the Japan Platform for Patent Information provided by the Patent Office.

(Reference) For further details related to the “trademarks well known among consumers,” refer to the Trademark Examination Manual.

Article 4(1)(xv) (Confusion over the Source of Goods and Services)

1. “... likely to cause confusion in connection with the goods or services pertaining to a business of another person” applies not only in case where the users of goods or services are likely to be confused over the source of the goods or services with the goods or services concerned mistakenly recognized as those connected with the business of other persons but also in case where the user of the goods or services are likely to be confused over the source of the goods or services with the goods or services concerned mistakenly recognized as connected with the business of a person who has a certain economic or organizational relationship with other persons.

The following are examples of conceivable cases.

- (1) In case where a trademark used by a business operator A with respect to goods G connected with its own business has become well known throughout Japan, the use of the trademark by a business operator B with respect to goods X (although not similar to the goods G and having no relationship with the goods G in respect of its manufacturer, seller, distribution route, materials, intended purpose, etc.) connected with its own business leads consumers to see the goods X not as goods connected with the business of the

business operator A but as goods connected with the business of another business operator A' having affiliated or other business relationship with the business operator A with confusion caused over the source of the goods (on the assumption of the presence of the business operator A' which does not actually exist).

(Note) The above case (1) applies to services with the word “goods” and “its manufacturer, seller, distribution route, materials, intended purpose, etc.” altered to read “services” and “the provider of the service and its provision means and purpose, articles for use for the provision of the service, etc.”

(2) In case where a trademark is used by a business operator A with respect to services connected with its own business has become known well throughout Japan, the use of the trademark by a business operator B with respect to goods (although not similar to the services of the business operator A) connected with its own business leads consumers to mistakenly recognize the goods as connected with another business of the business operator A with confusion caused over the source of the goods.

(Note) The above case (2) applies in case where the business of the business operator A relates to goods and the business of the business operator B relates to services.

2. To judge the liability of a trademark “likely to cause confusion in connection with the goods or services pertaining to a business of another person” the following factors are comprehensively taken into consideration.

(a) How much the other person's trademark is known (the degree or dissemination of advertisement, publicity, etc.).

(b) Whether the other person's trademark is a creative mark.

(c) Whether the other person's trademark is a house mark.

(d) Whether there is the possibility of multiple businesses.

(e) Whether there is any relationship between goods, services or goods and services.

However, the judgment of above (a) may not be well known throughout the country.

3. To prove a trademark's being well known as in Item 2(a) above, the provisions of Items 3(1) and (2) of Chapter II (Article 3(2)) of the Guidelines apply *mutatis mutandis*.

4. A trademark with its part indicating a famous trademark of another person needs to be handled in the following manners:

(1) A trademark judged as similar to a registered famous trademark of another person and used for goods or services identical with or similar to the designated goods or designated services of that registered famous trademark falls under the provision of Article 4(1)(xi).

(2) A trademark liable to cause confusion over the source of a good or service, however it is recognized as not similar to a famous trademark of another person or is similar to a famous trademark of another person but used for different goods or services, falls under the provision of this paragraph, in principle.

(3) A trademark similar to a famous trademark of another person but not liable to cause confusion over the source of goods or services, if used for an unfair intention, falls under the provision of Article 4(1)(xix).

5. A combination of another person's registered trademark "well known among consumers" and other characters or diagrams are, in principle, handled so as that it may cause confusion in the source of the goods or services, including those trademarks which the description of the composition of appearance is well united or conceptually related.

However, exemptions will be made when a part of the well known trademark of another party consists of a segment of an established word, or, when it is clear that the source will not be confused in relation to the designated goods or designated services.

(Example)

Examples of trademarks which may cause confusion:

- "arenoma / アレノマ" for clothing with "renoma" (bags etc.)
- "PER • SONY," "PER SONY," or "PERSONY" for toys with "SONY" (electrical machinery and apparatus)

Examples of trademarks which will not cause confusion:

- "POLAROID" for cameras with "POLA" (cosmetics)

6. A trademark application with respect to a trademark which is liable to, if used by the applicant, cause confusion over the source of its goods or services with those of a trademark well known as a famous trademark overseas among consumers in Japan (not necessarily to final consumers) at the time of its filing (refer to Article 4(3)) is liable to be refused under the provision of this paragraph with that famous trademark cited as a reason for refusal.
7. To judge the liability of a trademark to cause confusion with goods or services connected with another person's business, full consideration is given to the actual state of their transaction.
8. A three-dimensional trademark indicating the shape of a building, if this shape of a building is widely recognized in Japan as the shape of another person's building before an application is filed for it, fall under the provision of this paragraph.
9. Judgment of whether the trademark is famous or not apply mutatis mutandis Item 7, Part8: Article 4(1)(x), Chapter III of the Guidelines.

Examination guidelines of Article 4, Paragraph (1), Item (xix)

Please see the above stated I.Q2.v).

KIPO

Examination Guidelines Section 26.

OHIM

Please see answer to Q1 above.

SAIC

Section 14 of the "Trademark Law" provides that in case of recognizing a famous trademark, the following factors should be considered:

- (1) Public awareness with respect to the said trademark:
- (2) Period of continuous use (duration) of the said trademark:
- (3) Duration, degree, and geographical scope of advertising campaign of the said trademark:
- (4) Record indicating that the said trademark has been protected as a famous trademark:
- (5) Other factors by which the said trademark is recognized as a famous trademark

Section 5 of the "Enforcement Regulations of the Trademark Law" provides that if dispute occurs during the proceedings of trademark registration and trademark examination, in case where the said trademark falls under a famous trademark, the party concerned can request the Trademark Office or the Trademark Appeal Board to recognize the said trademark as a famous trademark, thereby, enabling to reject filing of a trademark registration application acting against the provisions in Section 13 of the Trademark Law and to erase trademark registration acting against the provisions in Section 13 of the Trademark Law. The party concerned should submit sources of evidence proving that the said trademark is a famous trademark at the time of filing. The Trademark Office and the Trademark Appeal Board shall make clear the fact, based on the appeal of the party concerned, and determine whether the said trademark is a famous trademark or not based on the provisions in Section 14 of the Trademark Law.

USPTO

Examination guidelines are not applicable with regard to bad faith since examiners typically will not assess bad faith during examination.

vi) Please provide examination practices.

For example, please explain the practical steps and how to evaluate the following points.

- How do you define the difference between 'well-known', 'famous' and 'reputed' trade marks? Do you have any guideline for approving well-known or

famous marks? What kind of evidence is needed to establish the fact or degree of “well-known” or “famous” trademarks?

JPO

There is no definition of “well-known,” “famous” and “reputed” trademarks in the Trademark Act of Japan.

The status of being famous or well known shall be determined, for example, by considering all of the following facts:

- (1) The level of consumers’ awareness, which will be estimated through a quantitative grasp of the following facts involving the use of a trademark, will be utilized to judge the distinctiveness of a trademark.
 - (i) A trademark actually in use and goods or services for which it is used
 - (ii) The start of its use, the length of its use, or the area where it is used
 - (iii) The volume of production, certification or delivery and a scale of business (number of stores, an area of business, an amount of sales, etc.)
 - (iv) The method, frequency and contents of advertising
 - (v) The number of times of appearance in general newspapers, trade journals, magazines and the internet, and contents thereof
 - (vi) The outcome of the questionnaire regarding consumers’ awareness of the trademark
- (2) The above facts (1) need to be proved by a method using evidence, including:
 - (i) Printed matter (newspaper clippings, magazines, catalogues, leaflets, etc.) carrying advertisements, public notices, etc.
 - (ii) Invoices, delivery slips, order slips, bills, receipts, account books, pamphlets, etc.
 - (iii) Photographs, etc. showing the use of a trademark
 - (iv) A certificate by an advertisement agency, broadcasting agency, publisher or printer;
 - (v) A certificate by a trade association, fellow traders or consumers
 - (vi) A certificate by a public organization, etc. (the state, a local public entity, a foreign embassy in Japan, a Chamber of Commerce and Industry, etc.)
 - (vii) Articles in general newspapers, trade journals, magazines and the internet
 - (viii) Outcome reports of the questionnaire intended for consumers regarding awareness of the trademark

However, due consideration will be given to the objectivity of the questionnaire with respect to the conductor, method, and respondents.

KIPO

There is no definition as to 'well-known', 'famous' and 'reputed' trade marks in the TMA. And the IPT and/or Court require a trademark owner to submit a substantial amount of fame evidence including sales volumes, advertising expenditures, market shares, brand rankings, worldwide trademark registration, promotional materials.

OHIM

Both well-known marks(Article 8(2)(c)CTMR) and trade marks with a reputation (Article 8(5) CTMR)are marks that can be used by their owner to raise an opposition against a CTM application or a declaration of invalidity of a registered CTM (Article 53(1)(a) CTMR).These are grounds for opposition and invalidity/cancellation that are independent of the invalidity ground of bad faith.

As mentioned above, the degree of inherent or acquired distinctiveness enjoyed by the invalidity applicant's sign and by the CTM owner's sign are relevant factors when assessing bad faith (CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase'). Therefore, where there is an increased level of distinctiveness, for example well-known character or reputation, this should be taken into account as one of the factors, but it is not a pre-requisite for a finding of bad faith.

An earlier well known mark (Article 8(2)(c)CTMR) is a trade mark that is well known in an EU Member State, in the sense in which the words well-known are used in Article 6 bis of the Paris Convention. It can be either registered or non-registered.

As regards a registered trade mark which has a reputation in the EU or a Member State(Article 8(5) CTMR),reputation 'implies a certain degree of knowledge of the earlier mark among the public' and it 'is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks ... and the earlier mark may consequently be damaged'. The earlier mark must be known by a significant part of the public concerned by the goods or services covered by that trade mark (CJ judgment of 14/09/1999, C-375/97 'General Motors', paras 22, 23).

In practical terms, the threshold for establishing whether a trade mark is well-known or enjoys reputation will usually be the same. Therefore, it will not be unusual for a mark which has acquired well-known character to have also reached the threshold laid down by the Court in *General Motors* for marks with a reputation. The Court of Justice qualified the notions of 'reputation' and 'well-known' as kindred notions ('notions voisines'), underlining in this way the substantial overlap and relationship between them.

As regards the approval of mark as a CTM, the CTM system takes account of the recognition in the market through the concept of “distinctiveness acquired through use” (Article 7(3) CTMR), which can overcome some of the absolute grounds for refusal of a CTM application. A trade mark is distinctive in this sense if it is recognised by a sufficiently large part of the relevant public as a mark of one single trader.

SAIC

Please see answer to v) above.

USPTO

The United States considers the fame of a mark in the relevant sector of the public (whether it is “well-known”) in determining whether a mark is likely to cause confusion under Section 2(d) of the Trademark Act. A claim of dilution, however, requires a showing that the mark is “famous” in the United States, that it “is widely recognized by the general consuming public of the United States as a designation of source of the mark’s owner.” The U.S. does not have a separate standard for “reputed.”

TTAB judges use the following non-exhaustive list of factors to determine whether a mark is well-known or famous: degree of distinctiveness; duration and extent of use of the mark; duration and extent of advertising of the mark; extent of geographical trading area; channels of trade; degree of recognition of the mark in those channels of trade; nature and extent of use of same/similar marks by third parties; and whether the mark is registered.

- Could bad faith provisions also apply if the well-known or reputed original mark was registered in the territory in which the bad faith application was made, but had not been used for an extended period of time?

JPO

The time period and scope of use shall be considered as decisive factors in determining whether the original trademark is well-known.

KIPO

We think that if the well-known or reputed original mark was registered, then the bad-faith application can be rejected due to the similarity to the senior mark (i.e., the well-known or reputed original mark).

OHIM

Potentially, yes. This question is a factor in a case currently pending before the General Court of the EU (Decision of OHIM's Board of Appeal of 12 April 2012 in case R 645/2011-1, appealed to GC).

USPTO

If a mark is registered at the USPTO, but has not been used in the United States for a period of three years, there is a presumption that the mark has been abandoned. If there is a finding of abandonment, subsequent use of the mark would not be considered bad faith.

- Do you have any legislation or practice on examination that specifically deals with trademarks that are well known or famous only abroad but are not registered domestically?

JPO

Yes. Trademarks that are well known or famous only abroad but are not registered domestically can be protected according to Article 4(1)(xix) of the JPTMA.

KIPO

Yes (TMA Article 7(1)(12))

OHIM

No, there is no specific legislation or practice regarding trade marks that are famous only abroad.

USPTO

The United States does not have legislation or practice that allows for protection of a mark that is only well-known or famous abroad and not in the United States.

- Regarding well-known and famous trademarks that are known only abroad but are not registered domestically, how is "well-known" or "famous" determined? What evidence is needed to prove that the trademarks are well-known or famous?

JPO

"[A] trademark which is well-known among consumers abroad" needs to be well known in that country, but is not necessarily well known in multiple countries. Also, it does not need to be well known in Japan, too.

* **The well-known or famous nature of trademarks** in foreign countries shall be determined, for example, by considering all of the following facts in those countries:

(1) The level of consumers' awareness, which will be estimated through a quantitative grasp of the following facts involving the use of a trademark, will be utilized to judge the distinctiveness of a trademark.

- (i) A trademark actually in use and goods or services for which it is used
- (ii) The start of its use, the length of its use, or the area where it is used
- (iii) The volume of production, certification or delivery and a scale of business (number of stores, an area of business, an amount of sales, etc.)
- (iv) The method, frequency and contents of advertising
- (v) The number of times of appearance in general newspapers, trade journals, magazines and the internet, and contents thereof
- (vi) The outcome of the questionnaire regarding consumers' awareness of the trademark

(2) The above facts (1) need to be proved by a method using evidence, including:

- (i) Printed matter (newspaper clippings, magazines, catalogues, leaflets, etc.) carrying advertisements, public notices, etc.
- (ii) Invoices, delivery slips, order slips, bills, receipts, account books, pamphlets, etc.
- (iii) Photographs, etc. showing the use of a trademark
- (iv) A certificate by an advertisement agency, broadcasting agency, publisher or printer;
- (v) A certificate by a trade association, fellow traders or consumers
- (vi) A certificate by a public organization, etc. (the state, a local public entity, a foreign embassy in Japan, a Chamber of Commerce and Industry, etc.)
- (vii) Articles in general newspapers, trade journals, magazines and the internet
- (viii) Outcome reports of the questionnaire intended for consumers regarding awareness of the trademark

However, due consideration will be given to the objectivity of the questionnaire with respect to the conductor, method, and respondents.

Also, trademarks, which trial decisions or court decisions determined to be well known among consumers, shall be presumably regarded as well-known trademarks among consumers based on their registrations or approvals. These trademarks are published in "a list of Japanese famous and well-known trademarks" in the Industrial Property Digital Library (IPDL) website provided by the JPO.

KIPO

In this regard, we would like to explain the history of TMA 7(1)(12). Before July 1, 2007, even though the previous TMA (before July 1, 2007) allowed for protection of similar trademarks that were famous or well-known but have not obtained prior registration in Korea, the standard of evidence required in showing the fame or well-known status of a mark was extremely high. Thus, many marks that were identical and/or similar to another's unique mark can be registered if the prior user of the mark cannot sufficiently produce convincing evidence showing the fame or well-known status of its mark. In order to properly address these problem, the amended TMA lowered the standard of fame by deleting the word "easily" from Article 7(1)(12) of the previous TMA. The previous TMA Article was stipulated as "Trademarks that are identical or similar to a trademark easily recognized in Korea or outside Korea as a source identifier of another person, and which are used to obtain unjust profits or to inflict harm on the person shall not be registered."

The IPT and/or Court require a trademark owner to submit a substantial amount of fame evidence including sales volumes, advertising expenditures, market shares, brand rankings, worldwide trademark registration, promotional materials. Further, the Korean Supreme Court stated that the foreign court's decision which recognized the fame of mark in its own country should be respected (Case No. 2008Hu3131, rendered on November 27, 2008 by the Supreme Court).

OHIM

The invalidity applicant needs to show that the CTM owner knew or must have known about the existence of the invalidity applicant's mark outside the EU. The well-known character of a trade mark may help, depending on the specific circumstances of each case, to prove said knowledge (e.g. owner established or present in the country where the earlier mark is famous). The evidence to be provided will depend, again, on the specific circumstances of the case (e.g., whether the owner is active in the same sector or in a different one), since what has to be proven is not the degree of knowledge of the average consumer but rather the actual knowledge of the CTM owner as such.

USPTO

The United States does not have legislation or practice that allow for protection of a mark that is only well-known or famous abroad.

- Are well-known and famous trademarks protected under other classes or in

the area of dissimilar goods and services? (How do you search and examine cross-classes?)

JPO

In cases when well-known/famous trademarks are likely to cause confusion as to the sources of goods and services (under Article 4, Paragraph (1), Item (xv)), or in cases when they are used for unfair purposes (under Article 4, Paragraph (1), Item (xix)), they shall be protected, even though they are under other classes or in areas of dissimilar goods and/or services.

The JPO has compiled the above mentioned “list of Japanese famous and well-known trademarks” found in the IPDL into its database for examinations, so as to conduct cross-classes searches and examinations.

Moreover, the JPO also makes effective use of examiners’ Internet researches and information provided by third parties (Please see III. Q1).

KIPO

Yes.

OHIM

As mentioned above, the degree of inherent or acquired distinctiveness enjoyed by the invalidity applicant’s sign and by the CTM owner’s sign are relevant factors when assessing bad faith.

Another of the factors to be taken into account when assessing bad faith is whether the CTM owner knows or must know about the use, in at least one Member State of the EU, of an identical or confusingly similar sign by a third party for identical or similar products or services. A finding of bad faith based on the knowledge of the existence of an earlier sign might also be justified when the CTM was applied for in respect of goods or services which, although dissimilar from those covered by the invalidity applicant’s sign, can be considered as belonging to a neighbouring/adjacent market and thus to an area to which an extension of the invalidity applicant’s sign can be reasonably expected. On the other hand, the more removed the goods or services of the CTM are from those in respect of which the invalidity applicant’s sign is used, the more unlikely a finding of bad faith would be.

Depending on the individual case constellation, these factors might all be present and interact.

USPTO

Trademarks that are well-known or famous in the United States may be protected

against trademarks for goods in other classes or for goods that are dissimilar, provided that there is a likelihood of confusion. The greater the fame of a mark, the less similarity of goods or services is needed to support a finding of likelihood of confusion. Examiners, when they conduct searches, will search across classes to determine any likelihood of confusion. Moreover, an examiner may give broader protection to a well-known or famous mark, since the more distinctive and famous a mark is, the more likely a consumer is likely to believe the goods come from the same source.

- How does the level of recognition interact with the burden of proof of bad faith? (e.g. If the mark has a greater degree of recognition, is less proof of bad faith needed? (or vice versa?))

JPO

In applying Article 4, Paragraph (1), Item (x) and (xv), bad faith will not be a requirement. In applying Article 4, Paragraph (1), Item (xix), the status of being well known and unfair purposes may be related to each other. However, even if trademarks are highly well known, it does not mean that there is no need to verify unfair purposes of applicants.

KIPO

Please be advised that the degree of fame of the well-known/famous mark is one of factors in determining whether was a bad-faith in filing a trademark application.

OHIM

The degree of recognition enjoyed by the invalidity applicant's sign is only one factor when assessing bad faith. Proving such recognition does not relieve the invalidity applicant of his burden of proof as regards bad faith in general.

USPTO

In determining likelihood of confusion, the TTAB or court will weigh a number of factors, including the fame of a mark (how well-known it is), bad faith intent, and similarities of the marks and goods or services. It is not necessary to have bad faith or fame in order to determine likelihood of confusion. The flexibility in having a non-exhaustive list of factors for likelihood of confusion allows the Board or court to balance the factors and use a sliding scale in application: for example, the more evidence of bad faith, the less evidence is needed for establishing similarities in the goods or services and the fame of a mark. Similarly, it is typically the case that the more evidence of fame, the less important a showing of bad faith.

- Would the level of distinctive character of the mark be taken into account?
(For example, in cases when the mark is so fanciful that it is highly unlikely for the applicant to come up with an identical or similar mark by chance.)

JPO

It will be an element to be considered.

KIPO

Please be advised that the degree of creativity of the well-known mark is one of factors in determining whether was a bad-faith in filing a trademark application

OHIM

The degree of inherent or acquired distinctiveness enjoyed by the invalidity applicant's sign and by the CTM owner's sign are relevant factors when assessing bad faith.

USPTO

Yes, the distinctive character of a mark would be taken into account in determining a likelihood of confusion and may be taken as circumstantial evidence supporting a finding of bad faith.

- Would the fact that the mark is identical or similar to other's house-marks be taken into account?

JPO

It will be an element to be considered.

KIPO

Yes.

OHIM

Potentially, yes, if these house-marks of the invalidity applicant are considered to be similar to the CTM registered by the CTM owner.

USPTO

Yes, this may be taken into account, again as circumstantial evidence supporting a finding of bad faith.

- Is there a time limit for claiming that a mark has been registered or is being

used in bad faith where bad faith regarding a well-known or famous mark is concerned?

JPO

There is no exclusion period to file claims for the above.

KIPO

At the latest, an interested party may raise an invalidation proceeding with the IPT. Further, interested party can claim that a mark should be invalidated based on TMA Article 7.1.12 at the phase of the Patent Court. However, in the Supreme Court, interested party cannot add new invalidation action grounds which had not been raised in the IPT and/or Patent Court. And there is no statutory limitation for filing an invalidation action based on TMA Article 7.1.12.

OHIM

No, bad faith can be claimed any time after registration of the CTM.

USPTO

Generally, the fame of the mark does not limit the time in which a claim of likelihood of confusion or false association can be brought. A challenge to a registered mark may be brought on the basis of likelihood of confusion within five years of registration. However, if a party can establish fraud on the office, or can establish a false association with an institution, the party may challenge a registration at any point, even beyond five years of registration. Fraud in procuring a trademark registration or renewal occurs when an applicant knowingly makes false, material representations of fact in connection with his or her application with the intent to deceive the USPTO.

- Is it relevant if the mark that is claimed to have been applied for in bad faith has acquired itself well-known character or reputation in the territory in which it has been registered?

JPO

There is no exclusion period to request trials for invalidation against trademark registrations filed under bad faith. Also, the determination of whether applicants have filed under bad faith is decided both at the time of filing their applications and at the time of examiners' decision on their applications. Accordingly, even if trademark applications and registrations filed under bad faith were to become well known after a decision has been made to register them, this fact of being well known will have no

bearing on the decision of bad faith.

KIPO

In this regard, we would like to introduce the below case (Case No. 2012Hu672, rendered on June 28, 2012 by the Supreme Court)

The registrant of the Subject Mark ("Appellant") filed an appeal of the decision to the Supreme Court. Referring to the below factors, the Supreme Court held that the Appellant did not file the application in bad faith in order to profit or to free ride on the fame of the prior used Cited Mark:

1. The Supreme Court had previously upheld another Patent Court decision rendering that the registrations for "WARAWARA" and "와라와라" (Korean transliteration of "WARAWARA") should not be invalidated based on the Cited Mark.
2. The Appellant had begun using a mark similar to the Subject Mark in Korea from the end of 2003 for a Japanese style bar franchise. As such, at the time the Subject Mark was applied for, it was already recognized in Korea as the mark for the Appellant's franchise.
3. The Cited Mark was hardly known in Korea at the date of the application of the Subject Mark, and the owner of the Cited Mark in Japan had no plans to use the Cited Mark in Korea. Further, the Appellant never approached the owner of the Cited Mark in Japan to propose a deal regarding purchasing the Subject Mark from the Appellant.

Therefore, the Supreme Court held that the Appellant had acquired its own independent business recognition in Korea and filed an application for the Subject Mark in order to expand and develop its business and that there was no evidence proving that the Appellant had filed the Subject Mark to block the owner of the Cited Mark in Japan from entering the Korean market or to compel the Japanese registrant to enter into a franchise agreement.

OHIM

Yes, in order to determine whether the CTM owner was acting in bad faith, consideration may be given to the extent of the reputation enjoyed by a sign at the time when the application for its registration as a CTM is filed. The extent of that reputation might justify the CTM owner's interest in ensuring a wider legal protection for his sign (CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase', paras. 51-52).

USPTO

No, the fame or reputation of a trademark that is alleged to have been applied for in bad faith is not relevant to a likelihood of confusion analysis. The fame of the trademark alleged to have been infringed would only be relevant.

- Are there other reasons affecting decisions on well-known or famous marks?

JPO

Nothing in particular.

OHIM

No further comments.

USPTO

Marks that are famous or well known are afforded a greater scope of protection or exclusivity of use. Fame of the prior mark plays a dominant role in likelihood of confusion cases featuring a famous mark. *See, e.g., Bose Corp. v. QSC Audio Prods. Inc.*, 293 F.3d 1367, 1371 (Fed. Cir. 2002); *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 1327 (Fed. Cir. 2000); and *Kenner Parker Toys, Inc. v. Rose Art Indus., Inc.*, 963 F.2d 350, 352-53 (Fed. Cir. 1992). The Federal Circuit has stated repeatedly that there is no excuse for even approaching the well-known trademark of a competitor inasmuch as “[a] strong mark...casts a long shadow which competitors must avoid.” *Kenner Parker Toys*, 963 F.2d at 353.

The Federal Circuit’s language in *Specialty Brands, Inc. v. Coffee Bean Distributors, Inc.*, 748 F. 2d 669 (Fed. Cir. 1984), is instructive:

The law has clearly been well settled for a longer time than this court has been dealing with the problem to the effect that the field from which trademarks can be selected is unlimited, and there is therefore no excuse for even approaching the well-known trademark of a competitor, that to do so raises “but one inference – that of gaining advantage from the wide reputation established by appellant in the goods bearing its mark,” and that all doubt as to whether confusion, mistake, or deception is likely to be resolved against the newcomer, especially where the established mark is one which is famous and applied to an inexpensive product bought by all kinds of people without much care.

Id. at 676 (citation omitted).

- vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

JPO

Court Case of Article 4, Paragraph (1), Item (x)

Court decision of “COMPUTORWORLD” Case

Tokyo High Court (Gyo-ke) No. 29 1991, Date of Court Decision February 26, 1992.

<Summary of Court Decision>

The subject trademark in this case consists of horizontally written Japanese katakana characters “コンピューターワールド,” designating goods classified as Class 26 “Newspapers, magazines.”

The cited trademark in this case consists of the Roman alphabet word “COMPUTORWORLD” that is used as a title of “the newspaper.”

The court recognizes that “[a]nother person's trademark which is well known among consumers as that indicating goods in connection with the person's business” as stipulated in Article 4, Paragraph (1), Item (x) generally means: (1) a trademark that became “well known among consumers as a trademark indicating goods in connection with the [another] person's business,” as a result of its use mainly in foreign countries as a trademark as well as being reported and cited in the Japanese media as a trademark showing valuable and prestigious goods, and (2) a trademark that became “well known among consumers as a trademark indicating goods in connection with the [another] person's business” as a result of its use in Japan as a trademark. The reason for such recognition is that the legislative intent of Article 4, Paragraph (1), which stipulates the grounds for refusal and invalidation of trademark registration, clearly includes an intention to prevent confusion as to the sources of goods. From the perspective of this legislative intent, there is no reason to allow any confusion as to the sources of goods by approving registration of trademark (1) or trademarks that are similar to trademark (1) through distinguishing trademark (1) from trademark (2). Also, in the provision, there is no specific wording to refer only to trademark (2) as the factor for being “well known among consumers as a trademark indicating goods in connection with the [another] person's business.” Moreover, “[a trademark] which is well known among consumers as

a trademark indicating goods in connection with the [another] person's business" dose not need to be well known among all of the people in Japan. In case a trademark is required among limited consumers, namely, interested parties in certain areas, due to the nature of the goods, it may be sufficient to be well known among those consumers. (It should not cause any confusion among consumers as to the sources of the goods.)

Since 1967, the plaintiff has issued a weekly newspaper entitled "COMPUTERWORLD" in the U.S., but there is no evidence sufficient to verify that, at the time of filing the subject trademark in this case, this newspaper name became a trademark that is mentioned in the above stated (1) and (2). Nonetheless, the court recognizes the following as salient facts: computers have been developed and successfully commercialized in the U.S. and in the past, the computer related industries in Japan have focused significant attention on computer information in the U.S. Also, the court found the following facts: (1) during the years between around 1970 and 1980, the summaries and headlines of articles in the "COMPUTERWORLD" newspaper have been repeatedly used in magazines and printed publications issued in Japan, which would introduce computer news from outside Japan, (2) the newspaper name of "COMPUTERWORLD" was clearly specified in these articles as the news sources, and (3) in 1973, the defendant, which has been a major Japanese newspaper in the field, introduced "COMPUTORWORLD" on the front page news of "電波新聞 (electronic newspaper)" (which the defendant issues) as "the most prestigious newspaper in the field." Based on these facts, the court determines that, at the latest before the subject trademark in this case was filed, the name of the "COMPUTERWORLD" newspaper had been well known among interested parties in the Japanese computer related industries, and that the subject trademark in this case became a trademark as mentioned in the above stated (1).

Accordingly, the subject trademark in this case is determined to fall under Article 4, Paragraph (1), Item (x).

Court Case of Article 4, Paragraph (1), Item (xv)

Court decision of "L'air Du Temps" Case

Supreme Court (Gyo-hi) No. 85 1998, Date of Court Decision July 11, 2000.

レールデュタン

Claimed trademark

L'AIR DU TEMPS

Cited trademark (Plaintiff's trademark)

<Summary of Court Decision>

The claimed trademark in this case consists of horizontally written Japanese katakana characters “レールデュタン,” designating goods classified as Class 21 “Personal ornaments for wearing.” The appellant (the plaintiff) owns a registered trademark (the cited trademark in this case) consisting of horizontally written Roman alphabet words “L’AIR DU TEMPS,” designating goods classified as Class 4 (current Class 3) “Perfumes.” The appellant has been using the following trademarks for perfumes (the designated goods): a trademark “L’Air du Temps,” a trademark consisting of the Japanese katakana characters “レール・デュ・タン” (in sum, “the trademarks in use in this case”) and the cited trademark.

The court recognizes that “[a trademark that] is likely to cause confusion in connection with the goods or services pertaining to a business of another person” stipulated in Article 4, Paragraph (1), Item (xv) generally means a trademark that is likely to be mistaken for being related to another person’s goods or services (hereinafter referred to as “another person’s goods”) when this trademark is used in the designated goods or services (hereinafter referred to as “the designated goods”). In addition, the court recognizes that such trademark should also mean trademarks that are likely to be mistaken for being related to the business of a person who has a close business relationship with the above stated another person by being related to this another person’s subsidiary or affiliated companies, or belongs to a certain corporate group that manages product commercialization with a unified collective group mark (hereinafter referred to as “a likelihood of confusion in a broad sense (as to sponsorship or affiliation)”).

Generally, Article 4, Paragraph (1), Item (xv) functions as a provision to prevent a free-ride on well-known or famous indications of these trademarks and diluting such indications (so called “delusion”) as well as protect functions of trademarks indicating distinctiveness from others. Accordingly, the court recognizes that the Article aims to maintain business confidence of persons who use trademarks and protect the interests of consumers. From the perspective of this legislative intent, the court determines that trademarks that are likely to cause confusion in a broad sense (as to sponsorship or affiliation) should also not be registered, in order to protect the legitimate interests of persons who use the indications of well-known or famous trademarks, according to changes in company strategies and the markets such as diversification of business management, formation of a corporate group being united through product commercialization with the unified collective group mark, and building of famous brands.

And, any “likelihood of confusion” should be determined with full consideration given to all factors, based on degree of attention traders and consumers normally pay to the designated goods and services of claimed trademarks. More specifically, factors to be taken into consideration when determining “likelihood of confusion” include: (1) the level of similarity between a claimed trademark and another person’s indication, (2) the level of famous or well-known status of and originality of another person’s indication, (3) the nature of relationship between the designated goods of a claimed trademark and the goods related to another person’s business, (4) the extent of any relationship among intended purposes of use or intended goals, (5) any commonalities among traders and consumers of the goods and services, and (6) the actual state of business transactions.

The court recognizes that the claimed registered trademark “**レールデュタン**” is identical with the trademark “**レール・デュ・タン**” of the trademarks used by the plaintiff, at least in terms of pronunciation, and that they are similar also in terms of appearance. Moreover, from the perspective of the identification of the cited trademark “L’AIR DU TEMPS” and its designated goods, when pronounced in French, the cited trademark could generate the pronunciation of “**レールデュタン**” (the claimed registered trademark). Accordingly, the court determines that the registered trademark “**レールデュタン**” is identical with the cited trademark “L’AIR DU TEMPS” in terms of pronunciation.

Also, the trademarks in use and the cited trademark in this case have been well known among traders handling perfumes and consumers interested in luxury perfumes as an indication of perfumes of the appellant (the plaintiff), and are distinctively original trademarks.

In addition, the court recognizes that among the designated goods of the registered trademark “**レールデュタン**,” “cosmetic and toilet utensils, personal ornaments, hair ornaments, bags and the like, pouches and the like” and perfumes, which are related to the trial for invalidation, have a close relationship mainly with the intended purposes of use as ornaments for women, and that in most cases, these designated goods have common consumers.

Considering all of the above stated facts, the court judges that using the registered trademark “**レールデュタン**” for “cosmetic and toilet utensils, personal ornaments, hair ornaments, bags and the like, pouches and the like” is likely to cause a confusion in a broad sense (as to sponsorship or affiliation) among traders and consumers involving

such goods. In other words, such goods are likely to be mistaken for being related to those related to the business of the above stated another person who has a close relationship with the appellant (the plaintiff).

Also, the fact that the trademarks in use and the cited trademark in this case have been being used as so called “Pet Marks” may not affect the above stated judgment, based on the famous status of these trademarks in use and the close relationship among the goods related to both of these trademarks in use and the claimed registered trademark.

Court Case of Article 4, Paragraph (1), Item (xix)

“iOffice 2000” Case

(Tokyo High Court (Gyo-Ke) No. 205 2001, November 20, 2001)



<Summary of Court Decision>

The subject trademark in this case is “iOffice2000” that consists of letters and numbers, designating goods classified as Class 9 “Electronic circuits, magnetic disks, and magnetic tapes storing computer programs, and other electronic appliances.”

According to the certified facts and items of evidence, the words “Office95,” “Office97,” and “Office2000” are a combination of the word “Office” and the Western calendar year. Accordingly, these words by themselves may not be recognized to have sufficient inherent distinctiveness from other goods. Nonetheless, thanks to advertising, information provided by the media, and news articles in magazines, the court finds that these words have already become famous trademarks of the famous office software of Microsoft Corporation in both the U.S. and Japan, at least before the subject trademark was filed.

The letter “i” by itself is a Roman alphabet letter and seems to have no specific meaning, while the portion of “Office2000” is identical with Microsoft’s famous trademark. Based on these facts, the court finds it likely that the use of the subject trademark “iOffice2000” for the designated goods would cause misidentification, signifying that traders and consumers involving such goods, in some cases, might not notice the letter “i” at the beginning of the word, and may recognize and figure out only the portion of “Office2000” from the subject trademark.

Also, the pronunciation of the subject trademark is produced with a relatively long sound “アイオフィスニセン [AIOFFICENISEN].” Consequently, the court

recognizes that the latter portion of the subject trademark could also generate a pronunciation of “オフィスニセン [OFFICENISEN],” namely, the same pronunciation of Microsoft’s “Office 2000.”

Based on this, it could be determined that, after sufficiently recognizing the fact that “Office2000” had already become a famous trademark, the plaintiff filed a trademark application to register the subject trademark in this case, which is similar to “Office 2000,” and used it after it had been registered. Accordingly, the court has to admit that the plaintiff filed a trademark application to register the subject trademark with the intention of obtaining a free-ride on the fame of Microsoft’s trademark “Office2000,” and used the subject trademark for groupware, which is obviously closely related to office software. Also, use of the subject trademark by the plaintiff is also found, as a result, to be very likely to dilute the fame of Microsoft’s “Office2000.”

Therefore, the court concludes that the plaintiff used the subject trademark “iOffice2000” for its goods, groupware, for “unfair purposes,” as referred to in Article 4, Paragraph (1), Item (xix), and to the same effect, there is no mistake in the determination and judgment of the trial decision.

“S DESIGN” Case

(Intellectual Property High Court (Gyo-Ke) No. 10220 2009, Date of Court Decision March 30, 2010)



本願商標=原告

Claimed trademark (the plaintiff’s trademark in this case)



引用商標=被告

Cited trademark
(the defendant’s trademark)

[Court's holding]

The trademark subject to this case is the claimed trademark shown above, designating goods classified as Class 12 “Automobiles and their components and accessories, machine elements for land vehicles, anti-theft alarms for vehicles, AC motors or DC motors for land vehicles [not including "their parts"] and two-wheeled motor vehicles.”

The cited trademark is the defendant’s trademark shown above, which is used for the defendant’s goods and services such as “parts for modifying automobiles and vehicle modifications by using these parts.”

Considering all the identified findings on the well-known status of the cited trademark, the cited trademark had been well known among consumers as an indication of the defendant's goods, namely, parts for modifying automobiles and vehicles with modified parts in European countries, mainly in Switzerland and Germany, both at the time of filing the subject trademark and at the time of the examiners' decision on it. Also in Japan, especially among foreign car buyers, the court finds that the cited trademark had been well known to a considerable extent.

Let's consider the details of similarity between the subject trademark and the cited trademark. The appearance of both trademarks, especially the S-shaped figure that forms a characteristic part that generates distinctiveness, has the following common points: the entire shape of a letter "S," the degree of inclination of the letter, and the use of a three-dimensional shape with gradations of colors. Accordingly, the appearance is considered to be similar.

Also, each S-shaped figure forms the main part of both trademarks and will generate a common pronunciation "エス[S]." However, the "S" is not considered to generate any specific concept. Based on this, the claimed trademark and the cited trademark can be judged to be similar in terms of appearance and pronunciation, without any emitting any specific concept, so both trademarks are judged to be similar.

Next, let's consider the background and details of the unfair purposes. The defendant (SPORTEC Europe, the owner of the cited trademark) claimed that: (1) at the Tokyo Motor Show held in the autumn of 2003, SPORTEC Japan, which was the defendant's de facto distributor in Japan and where the plaintiff served as head, adopted inappropriate display methods without SPORTEC Europe's consent, and that these methods were likely to cause misidentification, in that SPORTEC Japan sells the defendant's products also for Japanese cars. Consequently, the relationship between the defendant and SPORTEC Japan became worse. As a result, on December 9 in the same year, SPORTEC Japan sent a letter to the defendant to request dissolving the commercial relationship and their partnership was cancelled. (2) The plaintiff filed an application to register the claimed trademark on November 13, 2003, which was after the relationship between the plaintiff and the defendant became worse but before their partnership was cancelled. (3) In the autumn of 2004, the defendant sent letters to SPORTEC Japan dealers, demanding that they stop selling imitation SPORTIC wheels, leaving no possibility for the partnership between the defendant and SPORTEC Japan to continue. (4) In November 2006, the plaintiff put up the "SPORTEC" trademark on the wall of a shop "ティーエスエム[TSM]" managed by the plaintiff himself. Also, placed

around the shop were catalogues showing the cited trademark of the defendant's products. Considering all these facts, the plaintiff filed an application and obtained registration for the subject trademark under condition that he was inevitably to terminate the partnership with the defendant, with the intention to make profits for his own business by using the cited trademark and the defendant's goods, which would be attractive to consumers, even after the partnership had terminated. Accordingly, the filing and registration are determined to have been intended for unfair purposes.

“MARIE FRANCE” Case

(Trial Court No. 25958 1995, August 11, 1999)

MARIEFRANCE

Claimed trademark (of Japanese fashion maker)

MARIE FRANCE

Cited trademark

(the title of a French Magazine “MARIE FRANCE”)

<Summary of Trial Decision>

The claimed trademark consists of horizontally written Roman alphabet letters “MARIEFRANCE,” designating goods classified as Class 25 “Clothes made in France, and coats made in France.” The Roman alphabet letters “MARIE FRANCE” (with a space) have been considered to be well known and famous in France as the title of a French magazine at the time when the claimed trademark in this case was filed for registration.

Also, in terms of the order of the letters, the claimed trademark is completely identical with “MARIE FRANCE,” the title of the French magazine stated above, and thus regarded to be generally accepted as an identical trademark. Accordingly, it is very hard to believe that the applicant of the claimed trademark could file an application out of coincidence or without any cognizance of the fact that the magazine called “MARIE FRANCE” existed which is the same order of letters. Therefore, it was determined that the applicant almost directly applied the title of the “MARIE FRANCE” magazine to the claimed trademark.

Moreover, the designated goods of the claimed trademark were those including “non-Japanese style outerwear for women, namely, coats, sweaters and the like, nightwear, underwear, and swimwear.” In addition to the fact that the contents of the

“MARIE FRANCE” magazine consist of women’s fashion information, considering the fact that, also in Japan, significant attention has been paid to fashion trends in France, it is assumed that, in terms of consumers, the women’s fashion magazine and the goods designated by the claimed trademark may overlap to a certain degree.

Based on these, in case the legitimate trademark rights holder of the “MARIE FRANCE” magazine or persons related to the magazine wish to enter the Japanese market, it is likely that confusion will arise as to the sources with the claimed trademark, ultimately leading to the prevention of their entry into Japan.

Consequently, it should be noted that in the application for the claimed trademark, the cited trademark, which is well known and famous in foreign countries, was used almost “as is,” in order to be used for unfair purposes, working against the principle of fairness and equity.

Therefore, it was determined that the claimed trademark falls under Article 4, Paragraph (1), Item (xix) of the Trademark Act.

“M.A.C·MAKEUP ART COLLECTION” Case: Decision on Opposition
(Opposition No. 92239 1998, March 28, 2000)

M·A·C
MAKEUP ART COLLECTION

Claimed trademark

M·A·C

Cited trademark

<Summary of Decision on Opposition (Decision Upholding Opposition)>

The trademark in this case is the claimed trademark shown above, consisting of stylized letters “M.A.C.” and Roman alphabet letters “MAKEUP ART COLLECTION,” which are written horizontally in double column format. It designates goods classified as Class 18 “Bags and the like, pouches and the like, vanity cases, handbag frames, purse frames, saddlery, etc.” On the other hand, the cited trademark, which is the opponent’s trademark shown above, consists of horizontally written Roman alphabet letters “M.A.C.” It represents goods classified as Class 3 “Perfume and flavor materials, cosmetics and toiletries, and dentifrices.”

The trial found that the cited trademark used by the opponent has been used as a trademark for “makeup cosmetics and toiletries,” and these goods have been very popular products widely sold in the world, including Canada and the United States.

And, it was also found that the ornamental features of the Roman alphabet letters “MAC” constituting the claimed trademark is completely identical with the inherently distinctive design of the cited trademark, even in its smallest details.

Moreover, the letters “MAKEUP ART COLLECTION” written in the lower part of the claimed trademark seem to be related to makeup cosmetics traded by the opponent. And, its designated goods include vanity cases that the opponent is currently selling as products.

Based on these, it is difficult to believe that the claimed trademark happened to be identical with the cited trademark by coincidence. Accordingly, it could be inferred that, after sufficiently recognizing the fact that the claimed trademark is identical with or similar to the cited trademark that has been well known among consumers in Japan and abroad as a trademark indicating goods related to the other person’s (opponent’s) business, the trademark right holder filed a trademark application to register the claimed trademark and obtained trademark rights for this trademark, by taking advantage of the unregistered condition of the cited trademark, for either of the following purposes: (1) to prevent the cited trademark’s foreign rights holder, the opponent, from entering into the Japanese market, (2) to force the opponent into an agency agreement in Japan, (3) to dilute the cited trademark’s capacity to attract consumers, and (4) to obtain a free-ride on the commercial appeal of the cited trademark, intending to make unfair profits. Consequently, it was determined that the claimed trademark in this case falls under the category of a trademark that is filed for unfair purposes.

Therefore, the claimed trademark in this case falls under Article 4, Paragraph (1), Item (xix) of the Trademark Act.

KIPO

Case No. 2007Heo2626 rendered on June 25, 2008 by the Patent Court (this case was supported by the Supreme Court)

On appeal, the Plaintiff submitted various merchandising evidence in the U.S., Japan, and Korea to substantiate the fame of the TOM & JERRY character. The registrant ("Defendant") rebutted that (i) the Plaintiff's various versions of the character cannot be recognized as a single source; (ii) the character was used merely as a design, not a source-indicating trademark, and (iii) sales of goods were not substantial (moreover, due to the diverse range of used goods, sales by each product item were very low).

After considering the above, the Patent Court held that the Plaintiff's Character was a famous trademark in the U.S. and Japan, in view of the degree of well-known status, duration, method and mode of use, types of products, and extent of sales. It dismissed the Defendant's arguments as follows:

- (i) The various versions used by the Plaintiff's licensees clearly shared the same basic characteristic shape and appearance and is a basis for judging the well-known status of the Plaintiff's Character.
- (ii) The method and degree of expression among the character versions showed that they function both as a design and source indicator.
- (iii) Further, the extent of sales was not an adequate basis for dismissing the character's fame. Despite the fact that well-known characters - such as the Plaintiff's character - can attract or be easily recognized by consumers, the sales in total or by product item may still be comparatively low. Thus, the sales-based argument was considered insufficient.

OHIM

CJ judgment of 11/06/2009, C-529/07, 'LindtGoldhase' (cited under Q1 above)

SAIC

(1) No. 4481864 "金灶" (金竈) trademark opposition issue:

Canton 海利集团 Inc. (hereinafter referred to as opponent) submitted opposition to 葉川 (hereinafter referred to as respondent) employing Beijing Trademark Office Inc. as an agent against Trademark No. 4481864 "金灶" (金竈) which passed the early examination of our Office and appeared in the "trademark bulletin" No.1073, and our Office accepted the opposition based on Section 30 of the "Chinese Trademark Law." The respondent has not answered to it within a predetermined time limit.

The view of our Office based on statements of facts and reasons by the party concerned is as follows: In this issue, the opponent claimed that the trademark registered by the opponent for goods in 11th class fell under a famous trademark, and provided relevant evidences.

The evidences provided by the opponent can be proved, and the said trademark has become known widely to the Chinese public through advertisement and use.

Our Office, based on the provisions in Section 14 of the "Trademark Law," recognized Trademark "金灶" (金竈) registered and used for goods "Electric Pot" by the opponent

as a famous trademark.

The designate goods "金灶" (金竈) under opposition is "Salami (smoke-dried meat)" in 29th class, and the trademark under opposition since being similar to the opponent's trademark ("金灶"). Our Office judged that the trademark under opposition an imitation of the famous trademark, and if being used for the designated goods, the registered trademark under opposition would mislead and damage the interest of the holder of the right of the said famous trademark.

On the basis of Sections 13(2) and 33 of the "China Trademark Law," our Office decided as follows: the reason of opposition of the opponent establishes, thereby, registration of Trademark No. 4481864 "金灶" shall not be permitted.

According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a new trial to Trademark Appeal Board within fifteen days from the date of this decision.

(2) Trademark No. 1649903 "雅虎 YAHOO" opposition and retrial (trial against the examiner's decision) issue:

The respondent (義烏市 利邦剃須刀 Inc.) of the trademark "雅虎 YAHOO" under opposition filed the application on September 4, 2000, and designated goods, such as a razor, and a razor box of 8th class. The opposition did not establish at the decision of the Trademark Office.

The opponent (YAHOO), against the decision of our Board, claimed that since having sufficient obviousness and an extremely high name recognition in the Internet field (communication services, such as E-mail in 38th class, and computer website search service in 42th class) and the Internet related field (computer software in 9th class and computer software service in 42th class).

Since the respondent must naturally have known the trademarks of the opponent, the said disputed trademark are imitations and translations of the trademarks already registered by the opponent.

Based on the provisions in Sections 13 and 14 of the "Trademark Law," Section 5 of the "Enforcement Regulations of the Trademark Law" and Section 3 of the "Provisions

related to recognition and protection of Famous Trademark," the trademarks under opposition shall not be registered, and the use of them shall be prohibited.

According to our Board's opinion, based on the verification of the sources of evidence submitted of the opponent, Trademark No. 1327419 "雅虎" and Trademark No. 1109289 "YAHOO!," which are registered and used by the opponent for "survey and search of information on network" services in 42th class, have become known widely in China before the filing date of the disputed trademark, thereby, they are famous trademarks that provided by Section 15 of the "Trademark Law."

Thus, the disputed trademark "雅虎 YAHOO" is the reproduction and imitation of other party's famous trademark. To determine whether the registration of the disputed trademark misleads the public or not, factors, such as, the name recognition, originality, degree of similarity, and association to goods of the said trademark should be totally considered.

Considering that "YAHOO!" is seen comparatively rarely in English, and "雅虎" is not a peculiar word in Chinese, it can be said for the above two trademarks to be comparatively original.

Since the part of Chinese character of the disputed trademark is perfectly the same as Trademark "雅虎" of the opponent, and the part of English is substantially the same as Trademark "YAHOO!" of the opponent, act that the respondent has registered the disputed trademark cannot be said to be fair.

As mentioned above, since the fact that Trademark "雅虎" and Trademark "YAHOO!" of the opponent are registered and used for Internet search service, is widely recognized by the public, to use the said disputed trademark for goods, such as a razor and a razor box, would mislead the public, cause confusion of the source, and damage the interest of the opponent.

The act that the respondent has filed the application of the disputed trademark afterward, falls under the acts to reproduce, imitate and translate other party's famous trademark for non-similar goods, which are clearly stipulated in Section 13(2) of the "Trademark Law." Thereby, the said act may mislead the public and damage the interest of the holder of the right of the famous trademarks. Therefore, the registration of the disputed trademark shall not be permitted.

According to the provisions in Sections 13(2), 33, and 34 of the "Trademark Law," our Board decided as follow: the registration of the disputed trademark shall not be permitted.

(3) Trademark No. 3217926 "神州三号" opposition issue:

Claim of the opponent (China Academy of Space Technology):

The opponent is the developer of the spaceship "神舟 (Shenzhou)" series, and the legal right holder of Trademark No. 1661968 "神舟 (Shenzhou)" and "神舟" series. Since, the Central Government allowed the use of "神舟" as a trademark of the spaceships, and the national leader personally named it, Trademark "神舟" has specialty, obviousness and uniqueness.

The spaceships of the "神舟" series have been launched wonderfully and collected successfully every time, which are surprised globally and advertized and reported through domestic and foreign major media, televisions, radios, newspapers and magazines, Internets, etc. It can be said that Trademark "神舟" is globally famous, and has extremely high name recognition in China and all over the world, thereby, Trademark "神舟" can already be called as a famous trademark.

The disputed trademark "神舟三号" is the reproduction or imitation of the opponent's famous trademark "神舟." Filing and registering the disputed trademark not only mislead a consumer the source of a product but also make it difficult for the opponent (the right holder of Trademark "神舟") to develop the field of aerospace medicine using the "神舟" brand, and damage the legal interests of the opponent. Therefore, the registration of the disputed trademark goes against the provisions in Section 13(2) of the Trademark Law, thereby, based on this, the said trademark must be erased.

The respondent (Xi'an 亨通光華 Pharmaceutical Inc.) did not answer within the time limit set by our Board. The trial and investigation results of the Trademark Examination Board are as follows:

1. The disputed trademark was one filed to the Trademark Office on June 21, 2002 by the respondent, and registered on September 14, 2003. Designated goods are oral liquid medicine in 5th class, etc.

2. As of 1999, the opponent had registered nearly 70 trademarks, such as "神舟" and "神舟五号," for many classes, goods and services.

3. Trademark "神舟" of the opponent has been used continuously from 1998 up to today.

Before the filing date of the disputed trademark, the opponent have engaged in the research and development and the launching of the spaceship "神舟" three times. Trademark "神舟" is not only painted on spaceships but also widely used in the office building of the opponent. It is also used in places of, such as various space flight exhibitions and international industry fairs.

The returns of Shenzhous 1 to 6 are a symbol of the development of the manned space flight of our country. The bodies of those spaceships are stored in places, such as, China Science and Technology Museum, the Spaceflight Museum of China, the National Museum of China, and are exhibited to the public. Every time when Spaceship "神舟" was launched, Spaceship "神舟" and the opponent were repeatedly reported through Chinese major media including televisions, radios, newspapers, Internets, etc. as well as foreign major media, newspapers and magazines and radios.

Spaceship "神舟" of the opponent obtained the second prizes and the third prizes in more than 70 outcomes of National Defense Science and Technology, before the filing date of the dispute trademark. In addition, the opponent submitted the documents which proved that Trademark "神舟" deserved protection and the documents which could prove the usage conditions and honors etc. of Trademark "神舟."

The result of deliberations of the Trademark Examination Board is as follows: The opponent was engaged in the research and development of three spaceships of "Shenzhou." Together with much interests from inside and outside of the country at the launch of every time of the spaceship "Shenzhou," it has been reported again and again as top news by each major medium including a television, a radio, a newspaper, a Internet, etc.

The fact that the spaceship "神舟" was launched magnificently is a milestone of the manned space flight history of our country. Trademark "神舟" already has a comparatively high awareness and influence, thereby, Trademark No.1661968 "神舟 shenzhou" of the opponent can be recognized as a famous trademark used for an air transportation tool and a spaceship.

Trademark "神舟" of the opponent has a comparatively high name recognition, thereby, the registration and use of the disputed trademark may cause the public to confuse the source of the trademark with the source of Trademark "神舟" of the opponent, and may mislead the public that there is any relationship between the respondent and the opponent.

Therefore, there is a possibility of confusion or misconception of the source of goods, which may damage the legal use and the interests of the opponent. Therefore, because the registration of the disputed trademark goes against the provision of Section 13(2), the registration shall be erased.

USPTO

L'Oreal S.A. v. Marcon, 102 USPQ2d 1434 (TTAB 2012). The fame of the marks L'OREAL and L'OREAL PARIS for cosmetics and personal care products was a major factor in the Board's sustaining opposer's Section 2(d) claim in this opposition to L'OREAL PARIS for "aloe vera drinks." As to the claim that applicant lacked a *bona fide* intent to use the mark, applicant's pattern of filing ITU applications for disparate goods under the well-known or famous marks of others was a basis for sustaining that claim. The Board found opposer's marks to be famous based on billions of dollars in sales, significant market share, huge advertising expenditures, extensive media exposure, impressive brand awareness, and consistent high ranking by *Business Week*. The marks were considered identical and, while at first glance cosmetics and beverages "might not appear to be inherently related," opposer submitted "substantial evidence to show several reasons for finding such goods to be related;" for example, companies have marketed cosmetics and beverages under the same mark. Marcon's history of filing applications for products for which he had no relevant experience convinced the TTAB that adoption of this mark was in bad faith, although the Board observed that even without bad faith it would still find confusion likely.

Q4. Unfair Application filed by an Attorney

Is there any legislation for refusing an unfair application (or invaliding the registration) filed by an attorney? (Yes/No)

JPO

Yes.

KIPO

No.

OHIM

We understand the reference to an attorney to mean a reference to a representative or agent of the owner of the earlier right. If there is no relationship between the attorney and the owner of the earlier right, the attorney is treated as any other third party that registers a CTM potentially in bad faith (see, for example, answer to Question 1 vi second bullet point). However, in case the attorney is the agent or representative of the owner of the earlier right, who tries to register the CTM without the owner's consent, the CTM system gives the owner of the earlier right the possibility to oppose against the registration of the CTM application (Article 8(3) CTMR) or, if the CTM is already registered, to introduce an action of invalidity/cancellation (Article 53(1)(b) CTMR in connection with Article 8(3) CTMR). It is immaterial whether the earlier trade mark rights reside in the European Union or not.

SAIC

Yes.

USPTO

An application to register a mark must be filed in the name of the owner of the mark or, in the case of an intent-to-use application under 15 U.S.C. § 1051(b), by the person who is entitled to use the mark in commerce. Normally the owner of a mark is the person who applies the mark to goods that he or she produces, or uses the mark in the sale or advertising of services that he or she performs. An attorney cannot file an application in his or her own name on behalf of the owner, or the application would be void *ab initio* (from the beginning).

In addition, there is a duty of candor and disclosure in practice before the Trademark Office and TTAB. Before signing, filing, submitting, or later advocating any paper to the Office, attorneys have a duty of candor and a reasonable inquiry to confirm: (1) allegations and other factual contentions have evidentiary support and (2) legal contentions are warranted by existing law. 37 C.F.R. § 11.18. An attorney or authorized representative who makes false statements, withholds material information from the Trademark Office, or fails to correct a misrepresentation once known may be subject to disciplinary action under USPTO regulations.

A practitioner may be subject to concurrent disciplinary action before both the USPTO and State authorities. In the USPTO, the Office of Enrollment and Discipline ("OED")

is responsible for investigating grievances and allegations of misconduct. Penalties for violating this duty could be a private or public reprimand, suspension (from 1 day up to 5 years), and/or disbarment (for a minimum of 5 years).

IF YES:

i) Please provide provision(s) of the relevant law or regulation.

JPO

Trademark Act

Article 53-2 Where a registered trademark is a trademark pertaining to a right to a trademark (limited to a right equivalent to a trademark right) held by a person in a country of the Union to the Paris Convention, a member of the World Trade Organization or a Contracting Party to the Trademark Law Treaty or a trademark similar thereto, and the designated goods or designated services thereof are goods or services pertaining to the said right or goods or services similar thereto, and further, the application for trademark registration was filed without the approval of the person who has the right pertaining to the trademark, without a just cause, by his/her agent or representative or by his/her former agent or representative within one year prior to the filing date of the trademark registration, the person who has the right pertaining to the trademark may file a request for a trial for rescission of the trademark registration.

OHIM

According to Article 8(3) CTMR, upon opposition by the proprietor of an earlier trade mark, a trade mark shall not be registered where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor's consent, unless the agent or representative justifies his action.

Under Article 53(1)(b) CTMR, a CTM 'shall be declared invalid upon application to the Office or on the basis of a counterclaim in infringement proceedings, where there is a trade mark as referred to in Article 8(3) and the conditions set out in that paragraph are fulfilled'.

SAIC

Section 15 of the "Trademark Law" provides that that where an agent or representative, without the authorization of the client (of the agent or the representative), seeks to register in the agent's name the client's trademark and where the client opposes, registration shall not be granted and the use of the mark shall be prohibited.

USPTO

Under Section 1(a)(1) of the Trademark Act, 15 U.S.C. § 1051(a)(1), an application based on use in commerce must be filed by the owner of the mark. A Section 1(a) application must include a verified statement that the applicant believes it is the owner of the mark sought to be registered. 15 U.S.C. § 1051(a)(3)(A); 37 C.F.R. § 2.33(b)(1). An application that is not filed by the owner is void. *See* TMEP § 1201.02(b).

An application under Sections 1(b) or 44 of the Act, 15 U.S.C. § 1051(b) or § 1126, must be filed by a party who is entitled to use the mark in commerce, and must include a verified statement that the applicant is entitled to use the mark in commerce and that the applicant has a bona fide intention to use the mark in commerce as of the application filing date. 15 U.S.C. §§ 1051(b)(3), 1126(d)(2), and 1126(e); 37 C.F.R. § 2.33(b)(2). When the person designated as the applicant is not the person with a bona fide intention to use the mark in commerce, the application is void. *See* TMEP § 1201.02(b).

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.)..

JPO

At the time of filing their applications and at the time of examiners' decision on them.

OHIM

The time of filing of the application for registration.

SAIC

The above provisions apply during the proceedings of opposition and trial against the examiner's decision of a trademark, after the final decision by the examiners.

USPTO

These provisions apply at the filing date.

- iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

JPO

It can be determined in trials for cancellation.

OHIM

It is left to opposition or invalidity/cancellation actions.

SAIC

They apply during the subsequent proceedings of opposition and trial against the examiner's decision.

USPTO

The examining attorney will accept the applicant's statement regarding ownership of the mark unless it is clearly contradicted by information in the record. *In re L. A. Police Revolver and Athletic Club, Inc.*, 69 USPQ2d 1630 (TTAB 2003). If it is contradicted by the record, registration will be refused under §1 of the Trademark Act, on the ground that the applicant is not the owner of the mark. Similarly, when the record indicates that the applicant is a United States distributor, importer, or other distributing agent for a foreign manufacturer, the examining attorney should require the applicant to establish its ownership rights in the United States in accordance with TMEP §1201.06(a). It may also be determined during an opposition or cancellation.

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

JPO

As a basic principle, the burden of proof in unfair applications filed by attorneys rests on the parties who demand trials.

OHIM

In principle, the opponent or invalidity applicant bears the burden of proof. However, as regards 'negative facts', the burden of proof is reversed. Therefore, the agent or representative bears the burden of proof to show that he had the proprietor's consent for the filing and that his actions were justified.

The opposition and invalidity/cancellation ground of an unauthorized filing by agents of the trademark proprietor is a separate ground from that of bad faith.

Article 8(3) CTMR is a manifestation of the principle that commercial transactions must be conducted in good faith. Article 52(1)(b) CTMR, is the general expression of this principle. However, the protection granted by Article 8(3) CTMR is narrower than the one afforded by Article 52(1)(b) CTMR, because the applicability of Article 8(3) CTMR is subject to the fulfilment of a number of additional conditions laid down in this provision.

SAIC

There are rules of burden of proof, and the holder of a trademark bears it.

USPTO

If a third party brings an opposition or cancellation alleging that the trademark was filed in the wrong name, i.e., the attorney's name, the third party has the burden of proof to establish its claim.

v) Please provide examination guidelines.

JPO

None.

OHIM

A copy of OHIM's guidelines on Article 8(3) CTMR is attached.

SAIC

The below conditions must be satisfied for an act to fall under the act where an agent or representative, without the authorization of the client (of the agent or the representative), seeks to register.

(1) An applicant of a disputed trademark registration is an agent or a representative of the holder of a trademark, and the applicant is in a situation provided by 5(2) of this guideline, and acts according to this.

(2) The disputed trademark is used for goods/services or the disputed trademark is used for similar goods/services designated for a trademark of a client of the agent (a party employing the agent) or a client of the representative (a party that is not the representative).

(3) The disputed trademark is the same as or similar to the trademark of the client of the agent (the party employing the agent) or the client of the representative (the party that is not the representative).

(4) The agent or the representative cannot prove that the act of filing and registration is authorized by the client of the agent (the party employing the agent) or the client of the representative (the party that is not the representative).

In the dispute issue of a trademark, the client of the agent (the party employing the agent), the client of the representative (the party that is not the representative) or the party concerned can apply for erasing the registration (of the said trademark) within five years from the registration date of the disputed trademark.

USPTO

Please see answer above.

vi) Please provide examination practices.

JPO

Please see vii)

OHIM

See OHIM guidelines (attached) for examples.

SAIC

Please see v).

USPTO

Please see answer above.

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

JPO

Intellectual Property High Court (Gyo-Ke) No. 10194 2011

Date of Court Decision January 19, 2012. Litigation requesting rescission of a trial decision.



The defendant (the demandant for the trial to cancel the trademark in this case) owns a trademark consisting of the letters "Chromax" in Taiwan that is a member of the World Trade Organization (WTO). (The trademark represents goods classified as Class 28 "Golf balls, golf implements," etc.)

The designated goods of the trademark consisting of standard letters "Chromax" (the

trademark in this case [registered in Japan and owned by the plaintiff requesting the court's decision in this case]) are included in those of the defendant's trademark. Accordingly, they are considered to be identical with or similar to the designated goods of the defendant's trademark. Moreover, the subject trademark and the defendant's trademark are likely to cause confusion as to the sources of the goods between the products with the subject trademark and those with the defendant's trademark, and both trademarks are found to be similar.

The plaintiff or his representative has not been given exclusive distribution rights in Japan from the defendant or a person/entity who had an import agency in Japan with the defendant within one year before the date when the subject trademark in this case was filed. Nonetheless, thanks to the continuous trades between the plaintiff or his representative and the defendant, certain business practices had been established among them. Accordingly, it can be said that the plaintiff or his representative has been incorporated in some sales system of the defendant's products in Japan, and that he or she may fall under "his agent or representative within one year prior to the date on which the trademark registration was filed" stipulated in Article 53-2 of the Trademark Act.

Also, it is found that the application for the subject trademark in this case has been filed without the defendant's consent, within one year before the filing date of the subject trademark, by the trademark rights holder who had equal status to his agent or representative.

Based on the facts stated above, the court made a decision as to whether or not the application for the subject trademark registration was "without a just cause" stipulated in Article 53-2, as follows:

(1) As the background circumstances related to "a just cause" for the trademark application subject to this case, the plaintiff only claimed that, "in order to increase the value of the subject trademark, an advertising and promotion campaign was conducted at great expense, and that, thanks to the advertising and promotion, the value of the subject trademark has been increased in Japan."

(2) According to the evidence and the entire gist of the argument, the court finds that the plaintiff conducted advertising and promotions such as advertisement inserted in magazines in order to promote sales of golf balls ("Chromax balls") in Japan, which the defendant manufactures. However, the court cannot admit that, due to the expenditure

and activities conducted by the plaintiff and the advertizing promotion campaign stated above, the value of the trademark subject to this case has been increased as an indication of the golf balls stated above.

(3) Based on these, the court recognizes that the plaintiff has not been given the exclusive distributing rights from a person/entity who had an import agency agreement in Japan. And, considering all these facts, including the circumstances that there was only the fact that the plaintiff and his representative continuously conducted business transactions with the defendant, the court determines that the application for the trademark subject to the case was filed "without the approval of the person who has the right pertaining to the trademark, without a just cause."

OHIM

See OHIM guidelines (attached) for examples.

SAIC

(1) Trademark No. 3083605 "BRUNO MANETTI" opposition issue:

魯安納輸出 Company employing the China Council for the Promotion of International Trade's Patent & Trademark Office as an agent (hereinafter referred to as opponent) opposed to 艾斯快樂 Co. Ltd. employing 永新 Patent & Trademark Inc. as an agent (hereinafter referred to as respondent), against Trademark No. 3083605 "BRUNO MANETTI" which passed the initial examination of our Office and appeared in "trademark bulletin" No.870. Our Office accepted the opposition according to Section 30 of the "China Trademark Law."

The respondent has answered within a set time limit.

The claim of the opponent:

"BRUNO MANETTI" is the full name of Mr. BRUNO MANETTI who is the founder of the company of the opponent. This trademark has been already registered and used in some countries and communities, and is known to the relevant public. The disputed trademark is a plagiarism of the trademark of the opponent and infringes the name right of Mr. BRUNO MANETTI. The act of the respondent goes against the principle of faith and trust. The registration and use of the disputed trademark leads to unfair competition.

The claim of the respondent:

The name right of BRUNO MANETTI who is the president of the opponent company cannot be an obstacle to register the disputed trademark in China.

In addition, the time when the respondent began to use the trademark "BRUNO MANETTI" is earlier than the time when the opponent began to use the said trademark. The respondent has no intention of plagiarism and filing a misappropriated application.

Our Office's opinion based on the facts and reasons stated by the parties concerned is as follows:

Trademark "BRUNO MANETTI" under opposition is designated for goods such as "suits, leather shoes and ties" in 25th class. "BRUNO MANETTI" is not a combination of existing letters but has more significant originality.

It is proved that, as an agent of the opponent in the authentication proof and the licensing agreement of Trademark "BRUNO MANETTI," the respondent recognized that Trademark "BRUNO MANETTI" is a trademark possessed by the opponent, and the opponent is not given the right to register and use Trademark "BRUNO MANETTI" in China. Therefore, the act of the respondent to file and register a trademark of the opponent, in the name of the respondent's own name goes against Section 15 the "Trademark Law" of our country.

The decision of our Office according to Sections 15 and 33 of the "China Trademark Law" is as follows:

The reason for opposition raised by the opponent is established, thereby, the trademark No. 3083605 "BRUNO MANETTI" shall be deregistered. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial to the Trademark Appeal Board within 15 days of this decision.

(2) Trademark No.3304260 "头包西灵 (Toubaoxilin)" opposition issue:

On September 12, 2002, the respondent (Sichuan 隆昌華蜀動物藥業 Inc.) filed an application of the disputed trademark to Trademark Office, and the trademark was registered on February 7, 2004 for goods, such as drugs for veterinaries and goods for animal drugs in 5th class. The opponent (Chongqing 正通動物藥業 Inc.) applied for withdrawal of the registration on April 1, 2004.

The opponent began to use "头孢西林" for products for animal drugs in 2002, and the four characters of "头孢西林" are represented by a specific font and a font size, and displayed at the foreground on the label. Because the sales condition of the above goods in the market was very good, the respondent applied for agency sale to the opponent.

The both sides concluded a sole agency sale protocol in the end of July, 2002, and 華蜀動物藥業 Inc. is given authority and has been selling "头孢西林" products in areas of the whole country.

Based on the above facts, "头孢西林" is the special name of goods, which was made up by the opponent for its products and obtained examination permission of the Correlation Management Section. The opponent had already owned the right of the name of the specific products before the both sides concluded a sole agency sale contract. In actual use, "头孢西林" is situated in the foreground of the label of goods, and it is a main mark for consumers to identify the source of goods.

Therefore, "头孢西林" is a specific name recognized by the opponent, and it is objectively effective in displaying the source of the goods, thereby, the mark should be regarded as a non-registered trademark of the opponent.

The contractual connection provision of the opponent and the respondent in "contract related to Goods '头孢西林'" is already well-defined, and the respondent is a distributor of Products "头孢西林" of the opponent. The opponent has given authority to sell the products in areas of the whole country.

Furthermore, in the contract, it is defined the opponent shall continuously produce and sell the said products even after the contract has finished, and the selling right of the respondent shall be abolished.

In this issue, because it leads confusion to consumers for the respondent to register a trademark where features of the array and combination of characters generally resemble to those of the trademark of the opponent, this act should be prohibited based on Law.

Therefore, the act that the respondent as a product distributor of the opponent registered the disputed trademark extremely resembling to the trademark of the opponent in a name of its own without the permission of the opponent, falls under the act that an agent registers the trademark of a client employing the agent without permission of the client,

provided in Section 15 of the "Trademark Law."

The decision of our Board according to the provisions of Sections 15, 41(2) and 43 of the "Trademark Law" are as follows: Registration of registered Trademark No. 3304260 shall be erased.

Court of First Instance:

The Court decided that "the registration of the disputed trademark falls under the misappropriated application of an agent, provided in Section 15 of the 'Trademark Law,' thereby, it should be erased," and supported the decision of our Board.

Court of Second Instance:

The Court decided that "an agent or a representative just indicates a trademark agent or a trademark representative only," and, this court decision means to cancel the decision of the Trademark Examination Board.

Supreme People's Court:

The Court decided that "'an agent or a representative' includes an agent or a representative based on the meaning of specific sales agency relationship, such as, sole agency sale (exclusive sale) and sole agency (exclusive agency)."

(3) Trademark No.3514462 "安盟 SecurID" opposition and retrial issue:

On July 4, 2003, the respondent (Sichuan 安盟電子信息安全 Inc.) filed application of Trademark No.3514462 "安盟 SecurID" under opposition to the Trademark Office and designated goods, such as, computer memories in 9th class. After being examined initially and opened to the public by the Trademark Office, the trademark issue is opposed by the opponent.

The Trademark Office decided that the opposition was not established, and the opponent (USA RSA 信息安全 Co. Ltd.) applied for trial against examiner's decision of refusal to our Board, on December 11, 2008.

According to the recorded evidences, before April 7, 2003 of the filing date of the trademark under opposition, Beijing 達宇 Company had already been the agent of the software products of Trademark "RSA SecurID" for which the opponent used. 蔣萍,

孟憲 et al. are directors of both of Beijing 達宇 Company and the respondent, and Beijing 達宇 Company is the parent company of the respondent.

The designated goods for the trademark under opposition are goods, such as goods for recording the computer programs, and resembles to the software products of the opponent which were sold by Beijing 達宇 Company as an agent.

The trademark under opposition consists of Chinese "安盟" and "SecurID" of a foreign language. Consumers can identify two parts of "安盟" and "SecurID." One part "SecurID," which can be identified clearly in the trademark under opposition, is completely the same as "SecurID" of the trademark "RSA SecurID" of the software products of the opponent which was sold by Beijing 達宇 Company as an agent. Therefore, they shall be the similar trademarks.

Registration of the trademark under opposition was the act that the respondent, in conspiracy with the parent company, planned to register the other party's trademark, for which the parent company was selling as an agent, while designating similar goods. Furthermore, this act was not permitted by the agent of the parent company of the respondent and the opponent of this issue.

Therefore, it is decided that filing application of the trademark under opposition falls under the provision of Section 15 of the "Trademark Law."

Thus, the reason of the application for trial against examiner's decision of the opponent is established, and the decision of our Board according to the provisions in Sections 15, 33 and 34 of the "China Trademark Law" is as follows: The registration of the trademark under opposition shall not be permitted.

USPTO

Lipman v. Dickinson, 174 F.3d 1363, 1372 (Fed. Cir. 1999). The court found that a practitioner's participation in a material way in preparing and filing a petition with the Director that relied on affidavits that he knew could not be used for any purpose was a violation of USPTO Disciplinary Rules.

Lipman v. Dickinson, 174 F.3d 1363, 1372 (Fed. Cir. 1999)。

Q5. From The View of The Relationship with Other Rights

Is there any legislation for refusing an application (or invalidating the registration) as bad-faith on the basis of certain factors such as copyrights, rights of publicity, rights to a trade name or other person's name, etc.? (Yes/No)

JPO

In cases when applications are filed under bad faith for trademarks consisting of or containing other persons' names and titles, they are likely to fall under Article 4, Paragraph (1), Item (viii) of the Trademark Act.

Nonetheless, please note that when the principal provision of Article 4, Paragraph (1), Item (viii) was adapted, the original intent was not to prevent "bad faith trademark applications" per se. In other words, even in cases when applicants file trademark applications without any bad faith intended, the filed trademarks can be refused (or invalidated) if they meet the requirements of Article 4, Paragraph (1), Item (viii).

Also, Article 29 of the Trademark Act may serve as adjustment provisions for trademarks and copyrights. However, this Article is a provision that, in case trademark rights and prior copyrights of others are conflicting, trademarks cannot be used for the conflicting parts, and is not a reason to cancel or invalidate trademarks.

KIPO

No.

OHIM

In the CTM system, this is not a ground for refusing a CTM application, but a ground for invalidity/cancellation under Article 53(2) CTMR. It is a different ground for invalidity/cancellation than that of bad faith under Article 52(1)(b) CTMR.

SAIC

Yes.

USPTO

In the United States, there is no legislation for refusing an application or invalidating a registration on bad faith grounds for having violated a copyright, a right of publicity, rights to a trade name or other person's name. There is no independent grounds of refusal based on bad faith. However, it may be possible to object to trademark applications on the grounds noted below.

With respect to copyrights and rights of publicity, procedurally it is not possible to refuse an application or file for an opposition or cancellation with the TTAB on the grounds of a copyright or right of publicity (existing under state law). Nevertheless, a

party may file a lawsuit in civil court requesting damages, cancellation of a trademark or cease of use of a trademark, on the basis that a trademark infringes a copyright or right of publicity. Bad faith intent may be considered as part of these proceedings.

While it is not possible in an *ex officio* action for an examiner to refuse an application based on prior trade name rights, it is possible to file an opposition, cancellation or a lawsuit on the basis of these rights. The Board or court would apply a similar analysis as trademark infringement, in which bad faith would be a factor considered in determining likelihood of confusion. Please refer to discussion above on likelihood of confusion.

Finally, it is possible for an examiner to refuse registration or a third party to challenge registration under Section 2(a) of the Lanham Act, 15 USC § 1052(a), if a mark falsely suggests a connection with persons, living or dead, institutions, beliefs or national symbols, or brings them into contempt, or disrepute. Courts have held that Section 2(a) embraces “protection of rights of personal privacy and publicity.” *See, e.g., Bridgestone/Firestone Research, Inc. v. Automobile Club De L’Quest De La France*, 245 F.3d 1359, 1363 (Fed. Cir. 2001); *University of Notre Dame Du Lac v. J.C. Gourmet Food Imports Co.*, 703 F.2d 1372, 1376 (Fed. Cir. 1983). An examiner may use Section 2(a) to refuse registration even in cases where the name of the well-known person, institution, beliefs or national symbols are not registered. Although bad faith intent is not necessary to establish a claim, a finding of bad faith intent would weigh in favor of a finding of false association.

The following factors would be considered:

- (i) The mark is the same as, or a close approximation of, the name or identity of a person or institution;
- (ii) The mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;
- (iii) The person or institution named by the mark is not connected with the activities performed by applicant under the mark; and
- (iv) The fame or reputation of the person or institution is such that, when the mark is used with the applicant’s goods or services, a connection with the person or institution would be presumed.

See, e.g., In re Jackson Int’l Trading Co., 103 USPQ2d 1417, 1419 (TTAB 2012); *In re Peter S. Herrick, P.A.*, 91 USPQ2d 1505, 1507 (TTAB 2009); *In re MC MC S.r.l.*, 88 USPQ2d 1378, 1379 (TTAB 2008); *Association Pour La Def. et la Promotion de*

L'Oeuvre de Marc Chagall dite Comite Marc Chagall v. Bondarchuk, 82 USPQ2d 1838, 1842 (TTAB 2007); *In re White*, 80 USPQ2d 1654, 1658 (TTAB 2006); *In re White*, 73 USPQ2d 1713, 1718 (TTAB 2004); *In re Nuclear Research Corp.*, 16 USPQ2d 1316, 1317 (TTAB 1990); *Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428, 429 (TTAB 1985); *In re Cotter & Co.*, 228 USPQ 202, 204 (TTAB 1985); *see also Univ. of Notre Dame du Lac*, 703 F.2d at 1375-77 (providing foundational principles for the current four-part test used to determine the existence of a false connection).

It is also possible for an examiner *ex-officio* to refuse registration under Section 2(c) of the Trademark Act, 15 U.S.C. §§ 1052(c). Section 2(c) reads as follows:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it ... (c) Consists of or comprises a **name, portrait, or signature identifying a particular living individual except by his written consent**, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow. (Emphasis added).

The purpose of requiring the consent of a living individual to the registration of his or her name, signature, or portrait is to protect rights of privacy and publicity that living persons have in the designations that identify them. *In re Hoefflin*, 97 USPQ2d 1174, 1176 (TTAB 2010); *see also Univ. of Notre Dame du Lac*, 703 F.2d at 1376 n.8; *Canovas v. Venezia* 80 S.R.L., 220 USPQ 660, 661 (TTAB 1983).

Whether consent to registration is required depends on whether the public would recognize and understand the mark as identifying a particular living individual. Specifically, consent is required only if the individual will be associated with the goods or services, because the person is publicly connected with the business in which the mark is used, or is so well known that the public would reasonably assume a connection.

However, please be advised that Article 53 of the TMA stipulates that "a trademark owner may not use his/her registered trademark without the consent of the copyright owner, if depending on such use, the trademark right conflicts with the other party's copyright which was vested before the filing date of the trademark application."

For your information, there are cases where a company that owns both the copyright and foreign trademark right is prohibited from using the trademark within Korea, because a third party has already registered the same design as a trademark right with

the KIPO. This is possible because copyrights and trademarks have different criteria and purposes for protection and fall within two separate legal systems. Thus, a trademark that is identical or similar to a prior copyrighted work can be applied for and registered by a person other than the copyright holder. However, due to the above TMA Article, in general, a copyright owner may have the legal ground to request, based on his/her copyright, that a local trademark owner stop use of its trademark.

IF YES:

i) Please provide provision(s) of the relevant law or regulation.

JPO

Article 4 Notwithstanding the preceding Article, no trademark shall be registered if the trademark: (viii) contains the portrait of another person, or the name, famous pseudonym, professional name or pen name of another person, or famous abbreviation thereof (except those the registration of which has been approved by the person concerned);

(Relationship with another person's patent right, etc.)

Article 29 Where the use of a registered trademark in a particular manner in connection with its designated goods or designated services conflicts with another person's right to a patent, utility model or design for which an application has been filed prior to the filing date of an application of the said registered trademark or upon another person's copyright or neighboring right arising prior to the filing date of the same, the holder of trademark right, exclusive right to use or non-exclusive right to use may not use the registered trademark in the same manner on the conflicting part of the designated goods or designated services.

OHIM

Article 53(2) CTMR provides that a CTM 'shall also be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings where the use of such trade mark may be prohibited pursuant to another earlier right under the Community legislation or national law governing its protection, and, in particular, a right to a name, a right of personal portrayal, a copy right or an industrial property right.'

SAIC

Section 31 of the "Trademark Law" provides that no trademark application shall cause damage to the right previously hold by another party, nor shall an applicant rush to register in an unfair manner a mark that is already in use by another party and that enjoys substantial influence.

USPTO

Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a), prohibits the registration of a mark that consists of or comprises matter that may falsely suggest a connection with persons, institutions, beliefs, or national symbols.

Section 2(c) of the Trademark Act, 15 U.S.C. § 1052(c), prohibits the registration of a mark that comprises a name, portrait, or signature identifying a particular living individual except by his written consent.

ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

JPO

At the time of filing their applications and at the time of examiners' decision on them. (Article 4, Paragraph (1), Item (viii))

OHIM

Any time after registration of the CTMR, unless there are limitations in the national law of the EU Member State, where applicable.

SAIC

The above provisions apply during the proceedings of opposition and trial against the examiner's decision of a trademark, after the final decision by the examiners.

USPTO

The provisions apply at the time of the filing date.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

JPO

Applications may be considered to be filed under bad faith on the basis of certain factors such as other persons' name, and might be refused by ex-officio examination. Additionally, they may be determined in opposition proceedings or invalidation trials.

OHIM

It is left to invalidity/cancellation actions.

SAIC

They apply during the subsequent proceedings of opposition and trial against the examiner's decision.

USPTO

Refusals under Sections 2(a) and 2(c) would be determined during ex-officio examination and opposition/cancellation.

- iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

JPO

The burden of proof rests on the parties who claim that the said trademarks fall under Article 4, Paragraph (1), Item (viii).

OHIM

The invalidity applicant will have to provide the necessary national Member State legislation in force and put forward a cogent line of argument as to why it would succeed under specific national law in preventing the use of the contested mark. A mere reference to the national law will not be considered sufficient.

The invalidity/cancellation ground based on other earlier rights under Article 53(2) CTMR is a separate ground from that of bad faith under Article 52(1)(b) CTMR.

SAIC

There are rules of burden of proof, and the holder of a trademark bears it.

USPTO

Examining Attorney and plaintiff bear the burden of proof to show by a preponderance of the evidence that the mark falsely suggests a connection with another person or is the name of living individual.

- v) Please provide examination guidelines.

JPO

Examination Guidelines for Trademarks

Article 4(1)(viii) (Name of Another Person)

1. "Another person" in this paragraph means any person who actually exists and includes any foreigner.
2. Where an applicant's own name is the same as that of another person, the consent of another person concerned is required.
3. In determining the degree of "famous," the relationship of the name with goods or services is taken into consideration.

In cases when, after eliminating certain parts of trademarks, such as "general incorporated foundation," "K.K.," "Co.," "Co., Ltd.," etc, any remaining words are recognized at first glance to be names or titles of specific persons and/or entities, such trademark applications may be refused as trademarks that fall under Article 4, Paragraph (1), Item (viii).

(7) Concerning trademarks consisting of trade names, the similarity is judged by removing customarily used words such as "K.K." and "Co., Ltd."

OHIM

The relevant excerpt of OHIM's guidelines on other earlier rights under Article 53(2) CTMR is attached.

SAIC

"The right previously hold by another party" provided in Section 31 of the "Trademark Law" indicates that the right was hold by another party before the filing date of the disputed trademark, and the right includes rights other than the trademark right, such as a trade name right, a copyright, a design right, a name right and a portrait right.

Trade Name Right: The right to file application of a letter trademark similar to a trade name which is registered and used by another party earlier and has substantial name recognition, and such disputed trademark that may mislead the public in China, damage the interests of another party holding the trademark right earlier, and is decided as infringing the trademark right held by other party, shall not be given the right, nor the right shall be erased.

Copyright: Act to file application of a trademark of a copyright held earlier by another party without permission of the copyright holder is decided to infringe a copy right held by another party earlier, thereby, the disputed trademark shall not be given the right, nor the registration shall be erased.

Design Right: Act to file trademark application for goods that are the same as or similar to goods of another party's design without permission of the other party is decided to infringe the design right held by other party earlier, thereby, the disputed trademark shall not be given the right, nor the registration shall be erased.

Name Right: Disputed trademark that is an application of another party's name filed without permission of the other party, and infringes or may infringe other party's name right shall not be given the right, nor the registration shall be erased.

Portrait Right: Disputed trademark that is an application of another party's portrait filed without permission of the other party, and infringes or may infringe other party's portrait right shall not be given the right, nor the registration shall be erased.

USPTO

Please see answer above.

vi) Please provide examination practices.

JPO

Please see v).

OHIM

See OHIM guidelines (attached) for examples.

SAIC

Please see v).

USPTO

Please see answer above.

vii) Please provide relevant example of examinations, trial decisions, or court decisions.

JPO

“SONYAN” Case

Tokyo High Court (Gyo-ke) No. 133 1997, Date of Decision April 26, 1978.

<Summary of Court Decision>

SONYAN

Trademark in this case

The trademark in this case consists of horizontally written Roman alphabet letters “SONYAN,” designating goods classified as Class 16 (current Class 24) “Woven fabrics, knitted fabrics, felts, other textile fabrics.”

On the other hand, [SONY] has been a trademark for “telecommunication machines and apparatus” including “transistor radios, televisions, tape recorders,” which the plaintiff deals in, and is a coined mark consisting of the horizontally written Roman alphabet letters “SONY,” along with a mark consisting of horizontally written Japanese katakana characters “ソニー.” This also represents the pronunciation of “SONY” in Japanese. Both have been very famous in Japan and abroad. The court found that, at the time when the claimed trademark in this case was filed, the two SONY/ソニー-marks were already well known and famous among the public, not only as trademarks for products that the plaintiff manufactures and sells but also as the abbreviated name of the plaintiff.

At the same time, in terms of the style displayed by the letters, “SONYAN” consists of a set of letters and does not have any inherent distinctiveness in its style. Among these six letters, the first four letters are identical with those of the plaintiff’s coined word “SONY.” Moreover, judging from the degree of knowledge about English language in Japan, two letters “AN” following these four letters “SONY” may be intuitively understood in most cases to form a word meaning “of,” “have characteristics of” or “nationality of.”

Based on these, it should be noted that the subject trademark “SONYAN” may easily enable consumers to gain an image of and recognize the plaintiff’s famous abbreviated name “SONY,” and that, in terms of components, consumers may understand the main part of the trademark “SONYAN” as “SONY” in most cases.

Therefore, it could be said that the trademark in this case is a trademark containing a famous abbreviated name of others and falls under Article 4, Paragraph (1), Item (viii).

OHIM

See OHIM guidelines (attached) for examples.



(1) Figure Trademark No.7968391 "季世家 1915" opposition issue:

China Guizhou 茅台酒厂 Inc. employing Beijing 恒華佳信 Trademark Agency Inc. as an agent and 季克良 employing Beijing 中理通 Intellectual Property Inc. as an agent (hereinafter referred to as opponents) opposed to 塗彪 employing Guizhou 名之 Intellectual Property Service Inc. as an agent (hereinafter referred to as respondent) against Figure Trademark No. 7968391 "季世家 1915," which passed the initial examination of our Office and appeared in "trademark bulletin" No.1237, and our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has not answered to it within a set time limit.

Our Office's opinion after examination is as follows: Because main features of the figure of head of a person of a trademark under opposition are similar to those of the portrait of 季克良 cited by two opponents, the respondent filed application of this portrait without asking for and permission of the opponent in its own name, and infringed the portrait right. Our Office's decision according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent is established, thereby, the registration of Trademark No. 7968391 "季世家 1915" shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied to this decision, the party concerned can apply for a new trial to Trademark Appeal Board within fifteen days from the date of this decision.

(2) "Figure" Trademark No. 1563706 opposition issue:



李世林 (hereinafter referred to as opponent) opposed to Boading 双泉酒厂 employing Hebei 知力 Trademark Office Inc. as an agent (hereinafter referred to as

respondent), against Figure Trademark No.1563706, which passed the initial examination of our Office and appeared in "Trademark Bulletin" No.769. Our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has not answered to it before a set time limit.

The reason for opposition of the opponent: Because the trademark under opposition is the figure of "長寿神," a trademark using "the general name and the figure of this goods" should not be filed. The opponent has already filed application of this figure as the design of a box of old liquor for nutritional fortification in June 1994, and the figure was registered.

The trademark under opposition infringes the right of the opponent, thereby the act to file application of the figure goes against the provision of the "Trademark Law."

Because the respondent is producing and selling of alcoholic-drinks package boxes, on which the design of the opponent is displayed, this act falls under infringement of the opponent's right, and the opponent has already filed a suit in the Court.

Under the premise that the respondent recognizes the act as infringement of the opponent's right, the both sides entered into a settlement agreement, the Court already has issued the "Documents for Conciliation of Civil Affairs." The infringing act of the respondent has already damaged the interests of the opponent, thereby the Administrative Law Enforcement Division has already examined the respondent and imposed an administrative punishment to the respondent, in some areas.

The opinion of our Office based on facts and reasons stated by the party concerned is as follows: The trademark under opposition consists of Figure of 長寿神, is designated for "liquor (drink), liquid including alcohol, and alcoholic drink (except for beer)" in 33rd class, and was filed an application on January 20, 2000.

According to sources of evidence provided by the opponent, the opponent has already filed an application of a design for a box (of an old liquor for nutritional fortification) on June 27, 1994, and registered as a design (patent No.: ZL 94 3 04253.4)

Because appearances of the trademark under opposition and the design of the

opponent are similar to each other, and the filing date of the trademark under opposition is later than that of the design of the opponent, the right of the opponent would be the previously held one.

Registration and use of the trademark under opposition would damage the right previously held by the opponent.

Our Office's decision according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent is established, thereby the registration of Figure Trademark No. 1563706 shall not be permitted.

According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(3) Trademark No. 1965652 "洪河" opposition issue:

Chengdu City 洪河聯办(簡体字)茶厂 employing Sichuan Trademark Office as an agent (hereinafter referred to as opponent) opposed to Chengdu 峨眉茶業 Inc. (hereinafter referred to as respondent) against Trademark No. 195652 "洪河," which passed the initial examination of our Office and appeared in "Trademark Bulletin" No.848. Our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has answered to it before a set time limit.

The reason of the opposition of the opponent: "洪河" infringes the right of trade name and the right of goods name of the opponent. The registration of Trademark "洪河" is apparently an act of filing a misappropriated application. The answer of the respondent: The trademark under opposition does not infringe the right of trade name and the right of goods name of the opponent.

Our Board's opinion based on the facts stated by the party concerned is as follows: The Trademark Examination Board decided that Trademark No.987231 and Trademark No.1313779 "洪河" of the respondent were trademarks that were invalid to be registered, and registration of them has already been erased.

In the above two issues, the decision of the Trademark Examination Board is as follows: It is clear that Trademark "洪河" is the name of an enterprise of the opponent, that is, Trademark "洪河" is a trade name. Through long-term use of the

opponent, trade name "洪河" is already known to the relevant public in some areas.

The trademark under opposition is completely the same as the constitution of characters of the trade name of the opponent, thereby it may mislead the public, and damage legitimate right and interest of the opponent.

In addition, since at least 1991, the opponent has already been used "洪河" as the peculiar name of Jasmine tea goods and also has been used the name together with "芝龙," which is the trademark of the opponent, for the packing of tea goods.

Through the use by the opponent, "洪河" has already an effect of differentiating the source of goods, thereby it can be said that the mark has remarkable characteristics to be provided to a trademark. In this issue, it can be said that it is a non-registered trademark used for Jasmine tea goods of the opponent.

The act of the respondent is a misappropriated application of the trademark of the opponent and goes against the provisions in Section 31 of the "Trademark Law." Because the situation and the facts of this item are the same as the above two issues, filing application of the trademark under opposition goes against the provisions of the above Law.

According to Sections 31 and 33 of the "China Trademark Law," our Board decided as follows: The opposition of the opponent establishes, and the registration of Trademark No.1965652 "洪河" shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(4) Trademark No.3266232 "余進華 YUJINHUA" opposition issue:

余進華 employing Wenzhou 興業 Trademark Office Inc. as an agent and Wenzhou Gill 達製靴業 Inc. employing Wenzhou 興業 Trademark Office Inc. as an agent (hereinafter referred to as opponents) opposed to 葉玉弟 (hereinafter referred to as respondent), against Trademark No.3266232 "余進華 YUJINHUA" which passed the initial examination of our Office and appeared in the "trademark bulletin" No.905. Our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has not answered to it within a set time limit.

The opinion of our Office after deliberation is as follows: The opponent 余進華 is the representative director of another opponent Wenzhou Gill 達製靴業 Inc. Wenzhou Gill 達製靴業 Inc. and its registered trademark "吉尔达 JED" have comparatively high name recognition in the leather shoes industry of our country, thereby, the representative 余進華 is also widely known in the industry.

Chinese characters of the trademark under opposition are the same as the name of 余進華, and the designated goods include shoes products of the enterprise of the opponent. In addition, other than the trademark under opposition of this issue, the respondent have filed application of many trademarks which are the same as the names of administrative directors of famous shoemaking industries in Zhejiang, such as "金林兴," "钱金波," "胡启多," "王振滔," "单志敏" and "余阿寿," thereby our Office, while recognizing that the above acts of the respondent to file application of trademarks clearly include misappropriation, decided that the name right of 余進華 may be damaged, and the name rights of others are already infringed.

The decision of our Office according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent establishes, thereby the registration of Trademark No.3266232 "余進華 YUJINHUA" shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(5) Figure Trademark No.3308372 opposition issue:



特納期娛樂 Service Company employing Beijing 正理 Trademark Office Inc. as an agent (hereinafter referred to as opponent) opposed to 羅偉烈 employing Beijing 万慧達知識產權 Agency Inc. as an agent (hereinafter referred to as respondent), against Figure Trademark No.3308372, which passed the initial examination of our Office and appeared in the "trademark bulletin" No.913. Our Office accepted the opposition according to Section 30 of the "China Trademark Law."

The respondent by committing Beijing 諾孚爾 Intellectual Property Agency Inc. has answered to it within a set time limit. The opinion of our Office after deliberation is as follows: The shape of figure expression of the figure trademark under opposition is same as the shape of the expression of a figure of which right and copy right are previously held by the opponent, and sources of evidence provided by the opponent can also prove that the opponent had already held the right of the trademark under opposition earlier than the respondent.

The decision of our Office according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent establishes, thereby the registration of Figure Trademark No.3308372 shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(6) Trademark No. 3517447 "易建联" disputed issue:

The disputed trademark was filed on April 8, 2003, registered on May 21, 2005, and goods such as shoes were designated. The opponent (易建聯) has applied to erase the registration of the disputed trademark since on March 24, 2006.

According to our Board's opinion, the opponent is a well-known basketball player of our country and already had some social name recognition before filing application of the disputed trademark. The respondent (易建联 Sporting Goods (China) Inc.) has not received the permission of the opponent. Filing application of characters as a trademark, which are the same as the name of the opponent infringes the name right of the opponent, thereby goes against the provision in Section 31 of the "Trademark Law."

The decision of our Board according to Sections 31, 41(2) and 43 of the "China Trademark Law" is as follows: The registration of the disputed trademark shall be erased.



(7) Figure Trademark No.1004698 opposition retrial issue:

The disputed trademark was filed on September 4, 1995, designated for goods, such as drinks not including beer or alcohol, and registered on May 14, 1997. The opponent (VEDAN Enterprise Corporation) applied to erase the registration of the said trademark on November 25, 1997.

The claim of the opponent: The opponent is the creator and holder of the said Figure Trademark. The opponent is a Taiwanese food manufacturing company with 40 years' history, of which drinks, chemical seasonings and foods such as wheat flour are sold in countries all over the world including Mainland China.

A wax gourd tea is one of the many drinks manufactured by the applicant. The design of a box packing them is filed an application in Mainland China on May 1, 1994, and the registration No. is 25875 and the validity is ten years. The disputed trademark is plagiarism of the packing's design of the wax gourd tea products, which is possessed by the opponent.

The figure of the disputed trademark is the reproduction of the other party's legal right thereby infringes it. The evidence filed proves that the opponent registered the design of the packing box of the wax gourd tea which was manufactured by the opponent on May 1, 1994. The registration No. is ZL 93 3 005349.5, and the right certificate No. is 25857.

The figure of the disputed trademark is very similar to the design right of Box No. ZL 93 3 005349.5. The two are very similar to each other in whole compositions, figure of a man and even the layouts of articles.

The disputed trademark of this issue and the figure of the precedent design of the opponent are very similar to each other in main bodies. The act for the respondent (Fujian 味全集团 Company) to filing an application to register the figure of the precedent design right as its own right goes against Section 31 of the current "Trademark Law" of our country, and the registration of the disputed trademark falls under the situation of the provision in Section 41(2) of the current "Trademark Law."

The decision of our Board according to Sections 31, 41(2) and 43 of the current "China Trademark Law" and Section 27 of the "Enforcement Regulations of the China Trademark Law" is as follows: The opposition against Figure Trademark

No.1004698 registered by the respondent establishes, thereby the registration of Figure Trademark No.1004698 shall be erased.

USPTO

In re Richard M. Hoefflin, 97 USPQ2d 1174 (TTAB 2010). In this case, the applicant attempted to register the trademarks OBAMA BAHAMA PAJAMAS, OBAMA PAJAMA, and BARACK'S JOCKS DRESS TO THE LEFT for pajamas and briefs. The examiner issued a Section 2(c) refusal to register the mark, because the record did not include the written consent of President Barack Obama, the living individual allegedly identified in the marks. The applicant claimed that the terms "Barack" and "Obama" do not refer to any particular individual, and specifically not "the United States President Barack Hussein Obama II." The TTAB affirmed the Examiner's refusal.

In re Jackson Int'l Trading Co., 103 USPQ2d 1417(TTAB 2012). The TTAB affirmed the examiner's refusal under Section 2(a) to register the mark BENNY GOODMAN COLLECTION THE FINEST QUALITY (stylized) for fragrances, cosmetics, leather goods and clothing, finding that the mark falsely suggests a connection with the late composer and clarinetist Benny Goodman. The examiner cited various Internet websites and references, and argued that Benny Goodman "had a very long and successful career as a musician and bandleader, with a reputation that continues to this day." The TTAB noted that performers frequently license their names for collateral products, and therefore consumers would associate Applicant's goods with this "well-known bandleader, composer and clarinetist."

Q6. Any other views except for Q1- Q5

If there are any other views/situations that deal with bad faith filings, please provide information.

JPO

Nothing in particular.

OHIM

No further observations.

III. Procedures

Q1. Procedures for Oppositions in Pre-Publication

- Are there any countermeasures against bad faith filings by a third party (e.g. providing information before substantive examination by the examiner)?

JPO

Information Statement System

Article 19(1) of the Ordinance for Enforcement of the Trademark Act

Where an application for trademark registration has been filed, any person may provide the Commissioner of the Patent Office with information to the effect that the application for trademark registration is unregistrable pursuant to the provisions of Art. 3, Art. 4(1)(i), (vi) through (xi), (xiii), or (xv) through (xix), Art. 7-2(1), or Art. 8(2) or (5) of the Trademark Act by submitting a publication, a copy of an application for trademark registration, or any other document with regard to said application for trademark registration. However, only those trademark applications pending before the JPO are subject to the offering of information.

KIPO

Provision of information and opposition are available to countermeasure bad faith filings.

OHIM

The CTMR considers bad faith only as an absolute ground for the invalidity of a registered CTM, to be relied on either before OHIM or by means of a counterclaim in infringement proceedings. Therefore, bad faith is not relevant in examination or opposition proceedings in relation to a CTM application.

SAIC

The China Trademark Law has no provision with regard to providing information to the Trademark Office before publication of the initial examination of a trademark, that is, before the substantive examination. As the position of Governmental Organization, the public can reflect situation to the Trademark Office in writing so that the Office may use the information as reference, however, this kind of visiting is far from legal measures.

USPTO

Although third parties may not contact examiners directly, there is a mechanism—a “letter of protest”—by which third parties may submit certain evidence to the Commissioner’s Office for consideration. If accepted, the evidence would then be forwarded to the Examiner for consideration.

- If a third party provides such information to examiners, how will examiners/offices deal with such information?

JPO

The examiner examines the submitted documents, and if he/she becomes convinced that the trademark application has a reason for refusal, he/she notifies the applicant of the reason for refusal.

KIPO

The examiner considers such information in deciding according to the law and examination guidelines. If such information is acceptable, the application in bad-faith will be rejected and the results of providing information will be also notified to the person and/or company who provide an information with the KIPO

OHIM

Under the CTM system, information received by Third Parties after the publication of the CTM application in accordance with Article 40 CTMR needs to relate to absolute grounds for refusal of a CTM application under Article 7 CTMR. Bad faith is not an absolute ground for refusal, but exclusively a ground for invalidity/cancellation that can be relied upon after the CTM has been registered.

USPTO

A letter of protest is an informal procedure created by and existing at the discretion of the USPTO, in which third parties may bring to the attention of the USPTO evidence bearing on the registrability of a mark. When a letter of protest is filed with the Commissioner's Office, the Commissioner's Office accepts or denies the letter within approximately 30 days from filing. If accepted, the evidence, but not the letter of protest, is forwarded to the examiner for consideration. However, the evidence must relate to issues that can be prosecuted to its legal conclusion by the examiner in the course of *ex parte* examination. The evidence usually relates to a likelihood of confusion, descriptiveness or a pending litigation. Even though bad faith or fraud are not independent grounds for refusal or letter of protest, depending on the nature of the evidence it may be relevant to other grounds of refusal.

Q2. Integration of Procedures Related to Oppositions or Appeals and Trials

- Some bad faith filings consist of so many applications. One example is a trademark indicating various goods or services in various fields. In cases like

this, it seems that all the evidence proving “intent to use” or the degree of “famous/well-known” could be the same. In connection with this, are there any procedures to consolidate several trials?

JPO

Yes

[Opposition]

(Joint or separate conduct of oppositions)

Trademark Act Article 43-10 Where two or more oppositions to registration are filed in relation to the same trademark right, unless special circumstances exist, the examinations thereof shall be conducted jointly.

The following are excerpts from the 66-05 session of the “Manual of Appeal and Trial Proceedings on Patents, Utility Models, Designs and Trademarks” of the JPO:

(A) Basic principles of consolidating appeal/trial examinations

Whenever two or more oppositions are filed against one registration, appeal/trial examinations for them will be consolidated, unless special circumstances exist. Also, examination trials will be consolidated, regardless of whether any designated goods or services, or whether any reasons and/or evidence related to each opposition are the same.

(B) Special circumstances

“Special circumstances” means any circumstances that would make it even more complicated and difficult for the trial to proceed especially because of the appeal/trial examinations being consolidated. For example, this could be cases in which a written opposition for any one of the oppositions to registration is dismissed and a lawsuit is filed against such decision.

(C) Effect of consolidating appeal/trial examinations

(1) Proceedings after consolidation

When appeal/trial examinations are consolidated, all procedures regarding decisions, such as notifications of reasons for cancellations, submission of written arguments, appeal/trial decisions on oppositions to registrations, are consolidated.

(2) Effective use of submitted documents and means of proof, etc.

In cases when appeal/trial examinations are consolidated, any means of showing proof presented or submitted in regard to each opposition to registration will be used in the appeal/trial examinations for every opposition to registration that is consolidated.

(D) Procedures for consolidating appeal/trial examinations

(1) In general, since appeal/trial examinations are consolidated when two or more oppositions are filed against any one registration, notifications are not given advising that the appeal/trial examinations will be consolidated.

(2) Procedures for cases in which appeal/trial examinations are not consolidated

Whenever two or more oppositions are filed against one registration and appeal/trial examinations are conducted on any one or more oppositions without being consolidated, notifications to that effect will be sent to the trademark rights holders, the persons filing the oppositions, and any parties concerned.

<Trials>

Article 154, Paragraph (1) of the Patent Act will apply mutatis mutandis under Article 56, Paragraph (1) of the Trademark Act

(Joint or separate conduct of proceedings)

Article 154 (1) Where one or both parties to two or more trials are identical, the proceedings may be jointly conducted.

The following are excerpts from section 30-03 of “Manual of Appeal and Trial Proceedings on Patent, Utility Model, Design and Trademark” of the JPO

● Requirement for Consolidation of Appeal/Trial Examinations

(1) Sameness of One or Both of Interested Parties

Either one or both of the interested parties being in common is sufficient for consolidation of examinations, for both inter-partes and appeal examinations.

(2) Two or More Appeal/Trial Examination Cases

The “two or more appeal/trial examinations cases” that could be consolidated must be those of the same type.

(3) Necessity of Consolidation of Appeal/Trial Examinations

It is required to be found that the consolidation of cases could be expected to result in the purpose of consolidation being attained.

The following are examples of conditions which could be expected to result in attaining the purpose of consolidation:

- (i) Cases calling for similar examinations of evidence.
- (ii) Cases with common technical basis for the inventions involved.
- (iii) Cases with common cited reference and means of proof.
- (iv) Two or more trials for invalidation against the same patent.

(4) Timing of Consolidation

Consolidation of cases shall take place before conclusion of examination.

● Procedures for Consolidation of Appeal/Trial Examinations

(1) Determination by (Collegial Body of) Appeal/Trial Examiners

The power of determining whether or not to consolidate examination procedures lies with the collegial body of appeal/trial examiners. The examiners may decide ex officio, under free judgment.

(2) Notification of Decision to Consolidate Appeal or Trial Examinations

When examinations are to be consolidated, the Appeal/Trial Examiner-in-chief shall notify the party(ies) involved to that effect.

● Effect of Consolidation of Appeal/Trial Examinations

(1) Appeal/trial decisions can be made at the same time with a single decision, for the number of cases that have been consolidated.

(2) Utilization of Submitted Documents and Means of Proof, etc.

When two or more appeal/trial examinations have been consolidated, documents and other items submitted or shown for each case prior to consolidation, and means of proof obtained in the examination of each case prior to consolidation, may be utilized in the consolidated appeal or trial case.

KIPO

TMA Article 77-23 stipulates that the examiner in the IPT may conduct trial proceedings or make trial decisions, jointly or separately, with regard to two or more trial proceedings where one or both parties thereto are the same

OHIM

Where several invalidity actions on the basis of bad faith are introduced by the same invalidity applicant against several registered CTMs, or several appeals raised against several such invalidity decisions, the cases can, depending on the circumstances, be treated as ‘related cases’ both by the first instance and by the Boards of Appeal. However, even for related cases, there will be, in practice, one invalidity/appeal decision for each of the individual invalidity/appeal actions, not one decision covering all related cases. Evidence introduced by the parties in the first of those invalidity/appeal actions can, under certain circumstances, be relied upon in the following related cases by introduction of a clear cross reference to it in the submissions for each individual case.

In relation to the example given in the question above of a trade mark indicating various goods or services, please note that, as described in the answer under Q1, as a rule, it is legitimate for an undertaking to seek registration of a mark, not only for the categories of goods and services which it markets at the time of filing the application, but also for other categories of goods and services which it might wish to market in the future. There is no legal basis for making a finding of bad faith due to the length of the list of goods and services set out in the application for registration.

SAIC

There are proceedings for consolidated procedures.

USPTO

Both the courts and the TTAB have a procedure in place to consolidate several trials. Under the Federal Rules of Civil Procedure 42 (a), when cases involving common questions of law or fact are pending before the Board or a court, they may order the consolidation of the cases. In determining whether to consolidate proceedings, the Board or a court will weigh the savings in time, effort, and expense which may be gained from consolidation against any prejudice or inconvenience that may be caused thereby.

IV. Others

- Please provide measures or policies that you have in place for dealing with bad faith filings, and if there are any specific matters that should be noted in particular.

JPO

Nothing in particular.

OHIM

No further observations.

USPTO

Default Judgment

Default judgment helps eliminates unnecessary delays in resolving an opposition or cancellation if filed against a bad faith application. If a defendant fails to file an answer to a complaint during the time allowed, the TTAB may issue a notice of default. The notice states that neither an answer nor any extension of time to answer has been filed; that notice of default under Fed. R. Civ. P. 55(a) is entered; and that defendant is allowed 20 days from the mailing date of the notice in which to show cause why default judgment should not be entered against it. If the defendant fails to file a response to the notice, or files a response that does not show good cause, default judgment may be entered against it. See Trademark Trial and Appeal Board Manual of Procedure § 312.01, and 37 CFR § 2.106(a) and 37 CFR § 2.114(a).

Suspension of Pending Applications

If an applicant has opposed or petitioned to cancel a prior application or registration of a “bad faith” party, USPTO will suspend action on its trademark application pending resolution of the opposition or registration. Action by the USPTO may be suspended for a reasonable time for good and sufficient cause. The fact that a proceeding is pending before the Patent and Trademark Office or a court which is relevant to the issue of registrability of the applicant’s mark will be considered prima facie good and sufficient cause. The examining attorney should suspend the later-filed application until the mark in the earlier-filed application is registered or the earlier-filed application is abandoned. 37 C.F.R. § 2.83(c). *In re Direct Access Communications (M.C.G.) Inc.*, 30 USPQ2d 1393 (Comm’r Pats. 1993). This procedure helps eliminate unnecessary costs and actions in situations where a party’s application has been refused on the basis of a “bad faith” application or registration which it is in the process of opposing or cancelling.

Fighting Bad Faith Trademark Filings in the United States



The Honorable Karen S. Kuhlke
Administrative Trademark Judge
Trademark Trial and Appeal Board
United States Patent and Trademark Office



Overview

- Types of Bad Faith Filings
- Tools to Combat Bad Faith in the U.S.
- Recent Case Examples



Examples of Bad Faith Filings

- Register with no intention of using the mark only “selling” the mark;
- Register with intention of token use of the mark on same or related goods to sustain registration; or
- Register with intention of using the mark on same, related or unrelated goods to trade off of goodwill of another party



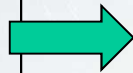
United States Practice

- **Tool #1: Statutory Duty of Good Faith**
 - **Good faith (“Bona Fide”) Use or Intent to Use Required**
 - **Good faith application requirement with penalties on applicant and representative for bad faith**
- **Tool #2: Bad Faith Factor in Likelihood of Confusion Analysis**



Tool #1: Statutory Duty of Good Faith in the United States

Require intent to use the mark and have that be a grounds for challenge.



Requirement of intention to use the mark

- Evidenced by business plans, preparations to use.
- Application can be challenged on absence of lack of intent to use.

Good faith application requirement with penalties on applicant and representative for bad faith.



Penalties for fraudulent statements in application

- criminal prosecution for perjury
- Deleting affected goods from the registration and/or cancelling registration.
- Sanctioning attorney/agent representative.



Create Duty of Good Faith: Require Verification of the Application

Truth of Facts Recited: “to the best of the verifier’s knowledge and belief, the facts recited in the application are accurate.”

Ownership or Entitlement to Use: the verifier believes the applicant to be the owner of the mark and that no one else, to the best of his or her knowledge and belief, has the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when applied to the goods or services of the other person, to cause confusion or mistake, or to deceive.

Use in Commerce: verified statement that the mark is in use in commerce (or that the applicant has a bona fide intention to use) on or in connection with the goods or services listed in the application as of the filing date.

Averments Based on Personal Knowledge: person signing the declaration must have first hand knowledge of the facts in the application.

“I declare under penalty of perjury under the laws of the United States of America that all the foregoing statements are true and correct to the best of my knowledge and belief. I understand that willful false statements and the like may jeopardize the validity of the application or document or any registration resulting therefrom, and are punishable by fine or imprisonment, or both.”



Example of a Declaration: Application for LOREAL PARIS

BASIS FOR FILING AND GOODS/SERVICES INFORMATION

Intent to Use: Section 1(b)

The Applicant has a bona fide intention to use the mark in commerce on or in connection with the below-identified goods and/or services (15 U.S.C. Subsection 1051(b)).

- {1} International class 005.**
- {2} Listing of Goods and/or Services:**
 - (a) Perfumes and fragrances;**
 - (b) Vitamin, mineral, and herbal supplements, and combinations thereof;**
 - (c) Aloe vera drinks;**
 - (d) Shaving balms, lotions, creams, and soaps;**
 - (e) Topical skin balms, namely: sunscreens, tanning balms, lotions, creams, and combinations thereof;**
 - (f) Candles, both plain and scented; and**
 - (g) Shaving implements.**

Foreign Priority: Section 44(d)

The Applicant has a bona fide intention to use the mark in commerce on or in connection with the below-identified goods and/or services, and asserts a claim of priority based upon a foreign application in accordance with 15 U.S.C. Section 1126(d).



SIGNATURE INFORMATION

The Applicant request registration of the above-identified mark in the United States Patent and Trademark Office on the Principal Register established by Act of July 5, 1946 (15 U.S.C. Section 1051 et seq.) for the above-identified goods and/or services.

The undersigned, being hereby warned that wilful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. Section 1001, and that such wilful false statements may jeopardize the validity of the application or any resulting registrations, declares that he/she is properly authorized to execute this application on behalf of the applicant; he/she believes the



applicant to be the owner of the trademark/service mark sought to be registered, or, if the application is being filed under 15 U.S.C. Section 1051(b), he/she believes Applicant to be entitled to use such mark in commerce; to the best of his/her knowledge and belief no other person, firm, corporation, or association has the right to use the mark in commerce, either in identical form thereof or in such new resemblance thereto as to be likely, when used on or in connection with the goods/services of such other person, to cause confusion, or to cause mistake, or to deceive; and that all statements made of his/her knowledge are true; and that all statements made on information and belief are believed to be true.

Signature:

Robert Victor Marcon

Print Name:

Robert Victor Marcon

Date Signed:

8 June 2004

Title:

Individual



Tool #2: Bad Faith Factor in Likelihood of Confusion

Judicial mechanisms for allowing bad faith evidence to be considered.



Likelihood of Confusion & Dilution

- Bad faith is a factor in the analysis. No defined list of conditions to determine bad faith. Bad faith may be inferred from circumstantial evidence.

Courts consider bad faith as a factor in a likelihood of confusion analysis. The defendant's **intent to cause confusion** with plaintiff's mark suggests that defendant's actions were highly likely to have had that effect.

A list of factors considered in a likelihood of confusion analysis allow courts to balance factors and **apply a sliding scale**: for example, the more evidence of bad faith, the less evidence is needed to establish similarities in the marks or the goods or services.



Additional Tools

- **Requiring more information/specimens during examination**
- **Refusals Based on the Name of a Living Individual 2(c)**
- **Refusals or Challenges Based on False Suggestion of a Connection 2(a)**
- **Misrepresentation of Source 14(3)**
- **Transparency During Examination and Beyond**



Requirement for Additional Information and/or Specimens

Examiner can investigate by requesting additional information from the applicant and/or asking for more specimens of use if the applicant is alleging use for a wide variety of goods or services (if use-based)

Applicant filed for the mark ADNOC for petroleum based products

Examining Attorney asks: Are you the Abu Dhabi National Oil Company?



Refusal or Challenge on Grounds of False Suggestion of a Connection

Can refuse or challenge under Section 2(a) of the Trademark Act on the basis that the mark falsely suggests a connection with a person, living or dead, or institutions, even if the cited mark is not registered.

- ADNOC registration refused because falsely suggests connection with Abu Dhabi National Oil Company (Examining Attorney notes intent to adopt name of institution probative that public will make false connection and points to applicant's other applications for well-known entities)



Refusal on the Grounds that Mark Comprises a Name of a Particular Living Individual

Can issue a refusal under Section 2(c) of the Trademark Act if the mark comprises a name, portrait or signature identifying a particular living individual, and a written consent is not provided.

- Blue Ivy Carter born January 7, 2012, applications are filed January 11, 2012 and January 20, 2012, not by mom and dad, Office Actions January 25, 2012 and February 2, 2012, written consent not of record



Transparency

- Information filed by an applicant is public and available on the USPTO website
- All papers filed with the Board must be served on the other party
- Board files are public and available on the USPTO website



Recent Case Example: L'Oreal S.A. v. Marcon

L'Oreal S.A. v. Marcon

- Robert Victor Marcon (Applicant) filed for the mark **L'OREAL PARIS** for aloe vera drinks
 - L'Oreal S.A. (Opposer) challenged the application on the basis of likelihood of confusion with and dilution of its registered **L'OREAL** and **L'OREAL PARIS** marks for cosmetics, and a lack of intent to use in commerce.
 - Bad faith evidence considered in likelihood of confusion analysis
 - Applicant has a pattern of filing intent-to-use applications to register various well-known marks – highly unlikely that adoption of marks was an unintended coincidence
 - Disingenuous statements/arguments made by Applicant in its briefs
- **“Such bad faith is strong evidence that confusion is likely, as such an inference is drawn from the imitator’s expectation of confusion.” Likelihood of confusion is found.**

L'Oreal S.A. v. Marcon, 102 USPQ2d 1434 (TTAB 2012).



L'Oreal S.A. v. Marcon

- Lack of Intent to Use - evidence considered:
 - Applicant's lack of documentary evidence or any other objective evidence that he can/will use the mark
 - Applicant's lack of capacity or experience needed to manufacture or otherwise offer the identified goods
 - Vague allusions to use through licensing or outsourcing
 - Failure to take any concrete actions or to develop any concrete plans for use
 - Applicant's pattern of filing intent to use applications for disparate goods under the well known marks of others
- **Cumulative effect of the record demonstrates that applicant lacks the requisite bona fide intent to use his mark in commerce for aloe vera drinks**
- Dilution: Court did not find it necessary to consider dilution



Recent Case Example: Carr v. Garnes

Carr v. Garnes

•Edward M. Garnes, Jr. (Applicant) filed for the mark **FROM AFROS TO SHELLTOES ART, ACTION, AND CONVERSATION** for:

- *educational services, namely, conducting workshops and seminars in arts and entertainment, hip-hop, cross generational relationships, community building, and art as a political force to lessen misunderstandings between civil rights and hip hop generations*

•Reginald Carr (Opposer) challenged the application on the basis of likelihood of confusion with its common law mark **AFROS-N-SHELLTOES ENTERTAINMENT** for:

- *disc jockey services and artist management and promotion services, including the representation of rappers, singers and poets, as well as the representation of managers who want to promote their acts and groups.*
- Opposer also claimed a false suggestion of a connection with the opposer's identity under Section 2(a) of the Trademark Act, and no bona fide use of the mark in commerce prior to the filing of the application under 1(a) of the Trademark Act.

Carr. v. Garnes, Opposition No. 91171220, 2010 WL 4780321 (TTAB Nov. 8, 2010) [not precedential].



Carr v. Garnes

- Bad faith evidence considered in likelihood of confusion analysis
 - Carr had spoken with attorney Marvin Arrington in 2004 regarding his business; seven months later the attorney formed a corporation with Applicant Garnes (Babuke Brothers, LLC) and shortly thereafter registered the domain name afroshelltoes.com, filed for a Georgia trademark registration, and filed for federal registration
 - Parties are both located in Georgia, USA
 - Both parties advertise in the same newspaper
 - Both parties used the unusual term “shelltoes”
 - Applicant did not give an explanation as to how he came to adopt his mark under these circumstances.



Carr v. Garnes

- The Trademark Trial and Appeal Board concluded that: Applicant filed his application for services related to those of opposer with the **full knowledge** of opposer's prior mark with the intention to trade off of opposer's goodwill in his mark, and find that applicant acted in bad faith in adopting his mark and prosecuting his application.
- Opposition was sustained on ground of likelihood of confusion. Opposer did not to demonstrate a false suggestion of a connection or a lack of bona fide use in commerce



Recent Case Example: Petroleos Mexicanos (PEMEX) v. Intermix SA

Petroleos Mexicanos (PEMEX) v. Intermix SA

- Intermix S.A. (respondent) owns a registration for the mark **PEMEX** for crude oil and refined petroleum products, advertising, management of business affairs relating to oil industry services, and oil refining.
- PEMEX (petitioner) filed a petition to cancel the registration on the grounds of **false suggestion of a connection** under Section 2(a); **likelihood of confusion** under Section 2(d); and **fraud**, alleging priority based on common law use of the mark **PEMEX** in the U.S.
 - Respondent filed a **motion to dismiss** for failure to state a claim upon which relief can be granted, arguing no standing because hasn't pleaded use or registration in the U.S.

Petroleos Mexicanos v. Intermix SA, 97 USPQ2d 1403 (TTAB 2010).



Petroleos Mexicanos (PEMEX) v. Intermix SA

- With respect to claim of **falsely suggesting a connection** under 2(a): **No need to allege propriety rights** in U.S., only to prove that:
 - (1) the mark sought is the same as or a close approximation of the name or identity previously used by another person or institution;
 - (2) the mark would be recognized as such, in that it points uniquely and unmistakably to that person or institution;
 - (3) the person or institution identified in the mark is not connected with the goods sold or services performed by applicant under the mark; and
 - (4) The fame or reputation of the named person or institution is of such a nature that a connection with such person or institution would be presumed when applicant's mark is used on its good and/or services.



Petroleos Mexicanos (PEMEX) v. Intermix SA

- With respect to claim of **likelihood of confusion**, Petroleos Mexicanos claimed that it had **extensive business activities** in the U.S. but no actual sales.
- Intermix argued that Petitioner does not have use in commerce and cannot assert priority based on “business activities”.

Board: While a use-based application must make bona fide use of the trademark in commerce in the United States prior to registration, **NO such requirement** applies to a plaintiff bringing a likelihood of confusion claim in an opposition or cancellation proceeding.

Likelihood of confusion merely requires a prior mark to have been “used in the United States by another,” and “a foreign opposer can present its opposition on the merits by showing only use of its mark in the United States,” quoting *First Niagara Ins. Brokers Inc. v First Niagara Fin. Group Inc.*, 476 F.3d 867, 81 USPQ2d 1375, 1378 (Fed. Cir. 2007) (court found that a Canadian insurance company, operating out of Canada and having no physical presence in the United States, had connections to the United States by way of, inter alia, selling policies issued by United States-based underwriters, and selling policies to United States citizens having Canadian property, and that such connections were sufficient to establish priority.)



Petroleos Mexicanos (PEMEX) v. Intermix SA

- With respect to **fraud** claim, PEMEX alleged Intermix had **knowingly, with the intent to deceive** the USPTO, **made a material misrepresentation** that it was using its mark in commerce in the United States on the identified goods and services at the time it filed its Statement of Use – when not such use was made.

Board: PEMEX sufficiently set forth a claim of fraud.

Motion to Dismiss denied on all grounds and schedule for trial reset. PEMEX served discovery requests and Intermix failed to respond. Board granted judgment as a sanction.



Recent Case Example: Di Thiene S.P.A. v. Panagiotis

Di Thiene S.P.A. v. Panagiotis

- Lazaridis E. Panagiotis applied for mark AERONAUTICA MILITARE for clothing
- Opposer Cristiano Di Thiene S.p.A. alleged:
 - likelihood of confusion
 - no bona fide intent to use

Di Thiene S.P.A. v. Panagiotis, Opp. No. 91197328 (July 8, 2013).



- Record established that applicant knew opposer used the mark in Europe
- Board notes that “[a]lthough information concerning a party’s foreign use of its involved marks is usually irrelevant to the issues in a Board proceeding, exceptions may arise where, for example, there is an issue as to whether a party’s adoption and use of the mark in the United States was made in bad faith for the purpose of forestalling a foreign user’s expansion into the United States, or where the foreign mark is famous, albeit not used in the United States.”
- But opposer did not prove prior use the United States likelihood of confusion claim fails



- Opposer demonstrated that applicant has no objective evidence to show his intent to use
- Applicant did not rebut with clear testimony or evidence to establish firm intent to use
- Board finds applicant “does not have the requisite bona fide intent to use the mark in commerce sufficient to support an application.”



Recent Case Example: Bayer v. Belmora

Bayer Consumer Care AG v. Belmora LLC

- Belmora registered FLANAX for analgesic tablets
- Bayer sought cancellation
 - Likelihood of Confusion 2(d) (dismissed)
 - Misrepresentation of Source 14(3)
 - “[W]here it is deliberately misrepresented by or with the consent of the respondent that goods and/or services originate from a manufacturer or other entity when in fact those goods and/or services originate from another party.”

Bayer Consumer Care AG v. Belmora LLC, Cancellation No. 92047741 (October 23, 2013)



- “Misrepresentation is alleged by petitioner to be occurring in the United States. The Lanham Act provides for the protection of consumers as well as the property rights of mark owners.”
- “[P]etitioner must establish ‘blatant misuse of the mark by respondent in a manner calculated to trade on the goodwill and reputation of petitioner.’”



- Evidence
 - Publications and packaging showing FLANAX mark in Mexico
 - Printouts from websites accessible in U.S. showing plaintiff's FLANAX mark
 - Data on number of Mexican immigrants in U.S.
 - Examples of defendant referencing plaintiff's mark when marketing the product "We're the direct producers of FLANAX in the US. FLANAX is a very well known medical product in the Latino American market, for FLANAX is sold successfully in Mexico, Centre [sic] and South America."
 - Email showing defendant fabricating evidence re genesis of the mark



- Findings
 - Plaintiff does not use the mark in the U.S.
 - FLANAX is top selling pain reliever in Mexico
 - Plaintiff's mark is known among U.S. retailers and U.S. Hispanic consumers
 - Defendant knowingly selected the identical mark FLANAX, used by plaintiff's Mexican licensee on the same types of goods
 - Defendant copied plaintiff's FLANAX logo as used in Mexico and other elements of the Mexican packaging (color and design)
 - Defendant invoked plaintiff's reputation in selling its goods



Board held that defendant “is using the mark FLANAX so as to misrepresent the source of the goods on which the mark is used.”

Thank You





OFFICE FOR HARMONIZATION
IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)

Second Seminar on Bad Faith TM Filings

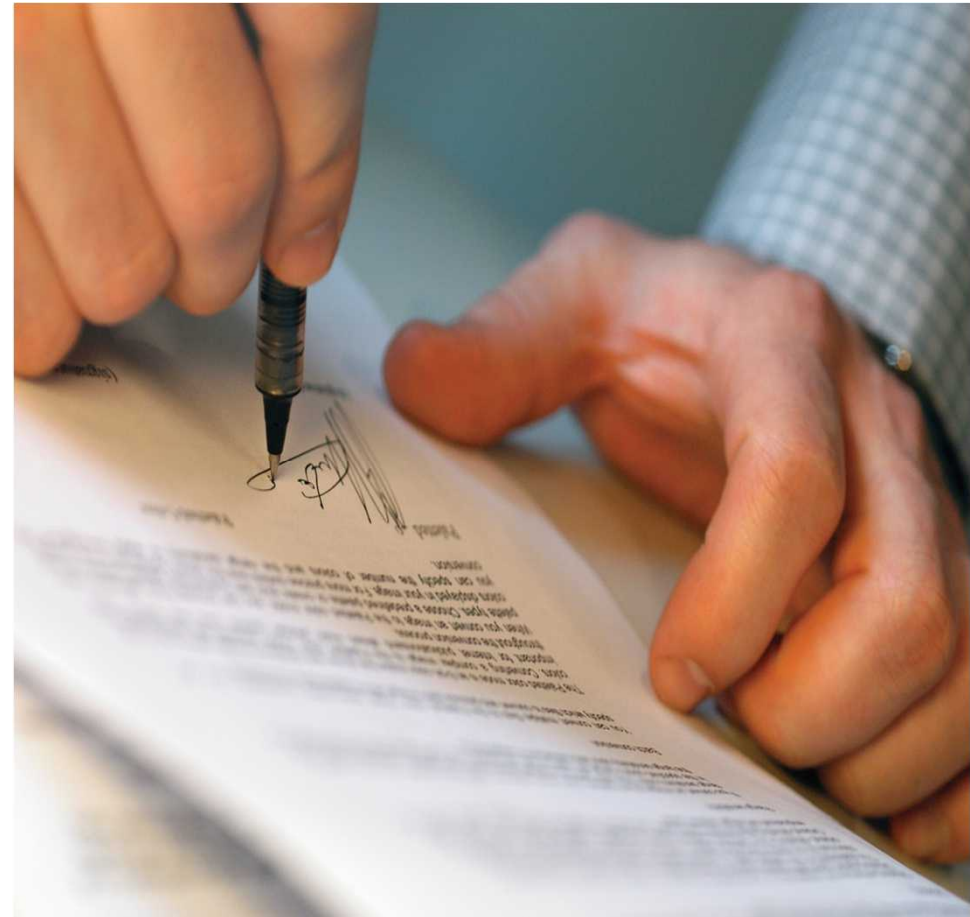
Alexandra Poch, OHIM
TM5, Hong Kong, 13 May 2014

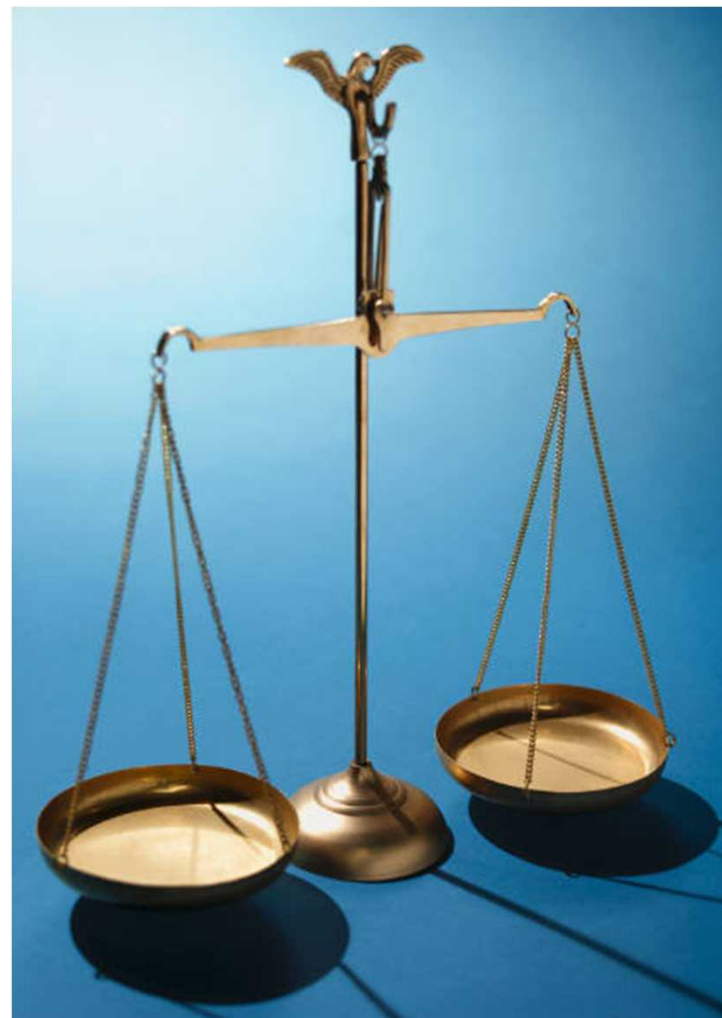


OUTLINE

- 01 Bad faith as invalidity ground
- 02 Concept of bad faith
- 03 Where to find OHIM Guidelines on bad faith
- 04 Legal reform

- invalidity ground
- not ex officio
- time of filing





C-529/07 of 11 June 2009

- applicant knows or must know
- identical or confusingly similar third party sign for identical or similar product
- intention of applicant
- degree of legal protection of both signs



Chocoladefabriken Lindt & Sprüngli AG

C-320/12 of 27 June 2013

- bad faith = autonomous concept of EU law, uniform interpretation
- applicant's knowledge or presumed knowledge of use by third party abroad is not, in itself, enough to find for bad faith



Malaysia Dairy Industries Pte. Ltd

Selection of other cases

- T-291/09 of 1 February 2012, Pollo Tropical
- T-33/11 of 14 February 2012, BIGAB/BIGA
- T-507/08 of 7 June 2011, 16PF



T-136/11 of 13 December 2012

- artificial extension of grace period for non-use through repeat application can be bad faith
- however, different situation is protection, in accordance with normal business practice, of variations of signs, e. g. evolution of logo

Pelikan 

Pelikan 

Pelikan Vertriebsgesellschaft
mbH & Co. KG

T-321/10 of 11 July 2013 GRUPPO SALINI/SALINI

- CTM declared invalid due to bad faith is invalid for all goods and services it was registered for, even those dissimilar to the goods and services of the other party/invalidity applicant

Law

- Community Trade Mark legal texts
- Community Design legal texts
- International treaties & National laws
- Invalidity concerning Community Designs
- Decisions & Communications of the President
- Presidium of the Boards of Appeal
- Official Journal
- Preliminary rulings

Practice

- Current Trade Mark Practice
- Current Designs Practice
- Appeal
- Mediation

Online manual of
Trade Mark Practice

Read the manual ➤



Learning portal
Upcoming events
Academy

Learning

eSearch plus - Trade marks, designs, owners, representatives and bulletins

TMview - Trade marks in the European Union

DesignView - Designs in the European Union

More databases

Search

13 FEB - Save the date - new OHIM Guidelines webinar

12 FEB - Why the need to sign up to OHIM's website?











12 FEB - The Republic of Korea joins TMview

OHIM website reported errors

News

Why sign up to OHIM's website?

Law

Part D: Cancellation		
 Section 1: Cancellation proceedings		New Guidelines
Section 2: Substantive provisions		
		
 Revocation for lack of use; invalidity on the ground of bad faith and invalidity based on relative grounds for refusal		New Guidelines
 Revocation (CTM becoming a generic term, CTM becoming misleading), absolute grounds for invalidity (CTM registered contrary to article 7, Defence against a claim of lack of distinctiveness)		Manual
Part E: Register Operations		
 Section 1: Changes in a registration		Manual
 Section 2: Conversion		New Guidelines
Section 3: CTMs as objects of property		
 Chapter 1: Transfer		Manual
 Chapter 2: Licences		Manual
 Section 4: Renewal		New Guidelines
 Section 5: Inspection of files		New Guidelines

Where to find the judgments

OHIM Case-law database

<https://oami.europa.eu/eSearchCLW/#advanced>

Database of the Court of Justice

<http://curia.europa.eu/>

Proposal COM (2013) 161 of 27 March 2013

Article 8(3)(b): "Upon opposition by the proprietor of the trade mark, a trade mark shall not be registered....where the trade mark is liable to be confused with an earlier trade mark protected outside the Union, provided that, at the date of the application, the earlier trade mark was still in genuine use and the applicant was acting in bad faith."





OFFICE FOR HARMONIZATION
IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)

Alicante



BEAUTIFUL, MEDITERRANEAN, UNIQUE



OFFICE FOR HARMONIZATION
IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)



OFFICE FOR HARMONIZATION
IN THE INTERNAL MARKET
(TRADE MARKS AND DESIGNS)

CONTACT US:

(+ 34) 965 139 100 (switchboard)

(+ 34) 965 139 400 (e-business technical incidents)

(+ 34) 965 131 344 (main fax)

information@oami.europa.eu

e-businesshelp@oami.europa.eu



[twitter/oamitweets](https://twitter.com/oamitweets)



[youtube/oamitubes](https://youtube.com/oamitubes)

www.oami.europa.eu

Thank You

Bad-Faith Trademark Filings under Korean Trademark Act

————— *May 13, 2014*



Table of Contents

I

Korean Trademark Act

II

Examples of “Bad-faith trademark fillings”

III

Three factors for applying Article 7(1)(vii)

IV

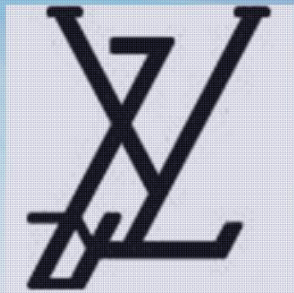
Characteristic systems and Practice of **KIPO**



I

Korean Trademark Act

Korean Trademark Act Article 7 (1) (xii)



*Goods: bags, guts for making sausages,
canes, saddle trees, bridles (harness)*



Goods: bags

Issue I

*Are the compared marks
similar?*

Issue II

Is LV logo well-Known?

Issue III

*Is the bad-faith recognized,
especially except for bags?*

Korean Trademark Act Article 7 (1) (xii)

*(1) Notwithstanding Article 6, **Trademark registration may not** be obtained in any of the following cases:*

*(xii) trademarks that are identical or similar to a trademark (excluding a geographical indication) that consumers **inside or outside the Republic of Korea easily recognize as indicating the goods of a particular person**, and which are used to obtain **unjust profits** or to **inflict harm** on a particular person and so on;*

Proposed Amendments to the Korean Trademark Act

If an application is unfairly made or lacking in good-faith,

AS-IS

- *Article 7(1)(xii) : the well-known status of original owner's mark is required*
- *Article 7(1)(iv) – marks against public order : the court applies very strict standards*

TO-BE

- *New Article 7(1)(xviii) :*


An application will be refused where the applicant obtained knowledge of the mark from the original owner through an agreement, transaction, or other relationship




II

Case of Bad-Faith Trademark Fillings

Butterfly Case

	Registered Mark	Mark of Prior Use
Mark		
Goods	leather shoes, rubber shoes, bath sandals, school uniform, raincoat, skirt, etc.	sportswear, bags, shoes, and table tennis supplies
Ruling	<p>The Mark of Prior Use may be accepted as a well-known mark in Japan that consumers clearly recognized as that of the defendant in relation to table tennis supplies, including rackets and table tennis accessories, including shoes, clothes, and socks when the application for the registered mark was filed on August 4, 2005. The word 'butterfly' is the core of both the Registered Mark and the Mark of Prior Use, making the two similar. Designated goods of the two marks also has close economic relation to each other given that they are sports-related or kinds of shoes and clothes (Case No. 2010Hu807 by the Supreme Court)</p>	

VOGUE CASE

	Registered Mark	Mark of Prior Use
Mark	VOGUE	
Goods	gum for home use, memo notes, pens, business card paper, model for learning, etc.	books, newspaper, magazines, yearbooks, calendar, pamphlets, postcards, and bromide
Ruling	<p>Even though a magazine (the used goods of Mark of Prior Use) hardly seems to have close economic relation to stationery (the designated goods of the Registered Mark), consumers and sales channels of a magazine and stationery may be overlapped. Therefore, using the Registered Mark for the designated goods may blur distinctiveness of the Mark of Prior Use, which is highly recognized in domestic and abroad; and thus, the registration therefore shall be invalidated under Article 7(1) (12) of the Trademark Act (Case No. 2006Heo11220 by the Patent Court)</p>	

Haagen-Dazs CASE

	Registered Mark	Mark of Prior Use
Mark	<div> <div>하겐 데스</div> <div>Häagendess</div> <div>1881</div> </div>	<div> <div>Häagen-Dazs</div> <div>TM</div> </div>
Goods	Class 25:clothes, bags, leather shoes, etc.	Ice cream, frozen yogurt, etc.
Ruling	<p>The Mark of Prior Use was well known not in Korea but in Japan as the mark indicating ice cream among consumers, and the superiority of the goods provided distinctiveness for consumers and even the general public, making it a famous mark beyond a well-known mark when the application for the Registered Mark was filed. While the appearance of both marks are different, their pronunciation is extremely similar and concepts are not clearly discriminated. The two are therefore totally similar marks.</p> <p>Nevertheless the designated goods have no relation to each other, the Registered mark, similar to the famous mark(coined mark), seems to be filed to harm the famous mark by diluting its value and to acquire unjust benefit by taking advantage of its customer drawing power (Case No. 2010Heo1718 by the Patent Court)</p>	



III

Three factors for applying Article 7(1)(vii)

Establishing well-known status of prior used mark

(1) The cited trademark must be perceived as a particular person's trademark by domestic or foreign consumers

✓ *Since the provision of this subparagraph includes **domestic or foreign consumers**, any trademark known only among foreign consumers also fall under this paragraph.*

✓ *The amendment to the Act in 2007 revised this subparagraph (by deleting “remarkably”), mitigating the required level of well-known of prior used and/or prior registered trademarks. **It is, therefore, sufficient if the level of perception is ‘well-known.’***

Establishing well-known status of prior used mark

*(2) The prior used mark(cited mark) needs to be well-known **when the bad-faith TM application is filed** (not when the KIPO renders its decision on the registrability of the bad-faith TM application)*

(3) To establish well-known status, the followings are usually submitted;

Evidence including sales volumes, advertising expenditures, market shares, brand rankings, worldwide trademark registration and promotional materials, etc.

*→ Usually, status of well-known needs to be demonstrated by **significant** sales figures, advertising figures, and significant market share **detailed in objective documents.***

Establishing well-known status of prior used mark

(4) Noteworthy Court Decisions (Case No. 2013Hu2460 by Supreme Court)

Patent Court

- ***Not Recognizing well-known status***
 - *Prior used mark (JUNKERS)'s sales figures are not exactly specified (ZEPPELINS's sales figures may be included)*
 - *No critical evidence for proving JUNKER watches' market shares and advertisement figures*

Supreme Court

- ***Recognizing well-known status***
 - *Duration of using the JUNKERS mark*
 - *How the JUNKERS mark is started to use*
 - *The number of shops where the JUNKERS watches are sold*
 - *Assessment of JUNKERS watches*

Establishing well-known status of prior used mark

(4) Notable Court Decisions (Case No. 2008Hu3124 by the Supreme Court)

Patent Court

- ***Not Recognizing well-known status***
 - *Not enough evidence for proving sales figures and advertisement expenditures of BELLAGIO Hotel*
 - *(Note): U.S. District Court's decisions which recognized BELLAGIO Hotel as a famous mark were not sufficient.*

Supreme Court

- ***Recognizing well-known status***
 - *BELLAGIO Hotel is one of the most luxury Hotels in Las Vegas*
 - *Winning award of AAA Five Diamond by AAA*
 - *U.S. District Courts*

Establishing similarity between prior used mark and mark in bad-faith

- (1) Applicability is limited to **a trademark identical or similar** to those as indicating a particular person's goods to consumers.*
- (2) However, applicability of Article 7(1)(vii) to goods is **not limited**.*
- (3) Notwithstanding, the scope of rejecting (invalidating) the goods of mark in bad-faith can be limited, if the bad-faith of all goods are not recognized.*

Establishing the bad-faith of an imitated mark

(1) Trademarks used for illegitimate purposes (Examination Standard Article 26)

*“ To **obtain unjust enrichment, cause damage** to a particular person or otherwise **pursue illegitimate purposes**” as set forth in this subparagraph refers to instances: where in application for the registration of a trademark identical or similar to a trademark that legitimate trademark user has yet to have registered is filed to impede said legitimate trademark user from entering the domestic market or force said user into entering a distributorship agreement; or where an application is filed to dilute the source indication of a famous trademark even if no identical or similar trademark is likely to cause confusion with another person’s goods or services.*

Establishing the bad-faith of an imitated mark

(2) Ground factors to determine the bad-faith

- Level of fame of the prior-used mark*
- Level of creativity in prior-used mark*
- Level of similarity between the prior-used mark and the mark in bad-faith*
- Level of similarity or economical relationship between goods of prior used mark and goods of mark in bad-faith*
- Whether there is any relationship between applicant of the mark in bad-faith and owner of the prior-used mark*

Establishing the bad-faith of an imitating mark

(3) Noteworthy Court Decisions(Case No. 2013Hu2484 by the Supreme Court)

Patent Court

■ Recognizing bad-faith for some goods

- **Recognized:** bags
- **Not recognized:** bags, guts for making sausages, canes, saddle trees, bridles (harness)

Supreme Court

■ Recognizing bad-faith for all goods

- LV logo is very famous
- Compared marks are very similar
- Applicant of mark in bad-faith has filed some marks similar to that of LV logo's owner in the past
- Some of goods (bags) are very similar to goods for LV logo



IV

*Characteristic systems and Practice of **KIPO***

Strengthened ex-officio investigation

- ✓ *Examiners shall generally have burden of proof of the reasons for the refusal, but **they may not be able to prove unjust purposes in the mind of applicants**. Therefore, examiners and applicants shall prove objective facts and the mind respectively.*
- ✓ *Where an examiner finds similar marks, which are well-known, to those for application on the internet, **notice of provisional refusal shall be sent based on Article 7(1) (12)** of the Trademark Act, considering the similarity and relation to designated goods, and the application shall be rejected unless written argument by the applicant proves that the application of the mark is not for unjust purposes.*

Strengthened ex-officio investigation

Examples of conducting ex-officio investigation on bad-faith marks

Mark	Investigation through internet	Examination results
PHILIP STEIN (Watches)	Swiss' watch brand 	Refusal
 (Stationary)	U.S.'s stationary brand 	Refusal

Number of refused bad-faith marks in the KIPO examination phase

avg. 77 in Jan-July 2013: → avg. 99 in Aug-Dec 2013

Thank YOU



Trademark Examination Policy Division
Deputy Director, Trademark Attorney **Wonseok Huh**
E-mail : wshuh1977@korea.kr





中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



Chinese Legal System of Coping with Bad-faith Filing of Trademark

Wu Qun

Trademark Office

State Administration for Industry and Commerce

People's Republic of China



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



- What kind of trademark application might be termed as “bad-faith filing”?
- Common types of bad-faith filing and the related provisions in the *Trademark Law*
- New amendments in the *Trademark Law* against bad-faith filing



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



What kind of trademark application might be termed as “bad-faith filing”?

Act of application for trademark registration that is against the principle of good faith, for the purpose of grabbing or unfairly exploiting the goodwill of another party's trademark(s), infringing another party's prior rights, or encroaching public resources.



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



Common types of bad-faith filing and the related provisions in the *Trademark Law*

- Reproducing, imitating, or translating another party's well-known trademark
- Applying in unfair means for the registration of a trademark that is already in use by another party and has certain influence
- Applying for the registration of a trademark that infringes another party's prior rights
- The agent or representative of a person who is the owner of a trademark applying in bad faith for the registration of the mark in his own name



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



Reproducing, imitating, or translating another party's well-known trademark

Article 13 of the *Trademark Law*

Paragraph 2: A trademark that is applied for registration in identical or similar goods shall not be registered and its use shall be prohibited, if it is a reproduction, an imitation or a translation, of another party's well-known mark that is not registered in China and it is liable to create confusion.

Paragraph 3: A trademark that is applied for registration in non-identical or dissimilar goods shall not be registered and its use shall be prohibited, if it is a reproduction, an imitation or a translation, of a well-known mark which is registered in China, misleads the public, and the interests of the registrant of the well-known mark are likely to be damaged by such use.



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



No.4481864 “金灶” trademark opposition case

- The opposed trademark:
No.4481864 “金灶” trademark on
“meat, preserved” in Cl.29
- Grounds of opposition: the opponent requests for recognizing its prior registered “金灶” trademark in Class 11 as well-known trademark.
- The opponent’s trademark:

金灶

KAMJOVE 金灶

Evidence provided by the opponent may prove that its trademark has become well-known among the relevant public in China.

The opposed “金灶” trademark designates goods in Class 29 such as “meat, preserved”, and that the mark is similar to the opponent’s trademark. Thus it constitutes the imitation of a well-known trademark. If the opposed trademark were granted protection and used on its designated goods, it is likely to mislead the public, causing damages to the interests of the registrant of the well-known mark.



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



Applying in unfair means for the registration of a trademark that is already in use by another party and has certain influence

Article 32 of the *Trademark Law*:

No trademark application shall infringe upon another party's existing prior rights. Nor shall an applicant register in an unfair means a mark that is already in use by another party and has certain influence.



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



No. 4809737 “ERE” trademark dispute case

Requisite conditions for a prior used unregistered trademark to prevent posterior trademark registration include:

- 1. the other party's trademark is already in use and has acquired certain influence before the application of the disputed trademark;
 - 2. the disputed trademark is identical with or similar to the other party's trademark;
 - 3. the designated goods/services of the disputed trademark are identical with or similar to the related goods/services of other party's trademark in principle;
 - 4. the applicant of the disputed trademark bears bad faith.
- The applicant of the dispute case has provided sufficient evidence to prove that it had been using the “ERE” trademark on the aluminum ingots it produced and had acquired certain influence before the application date of the disputed trademark.
 - Both trademarks were using on goods such as “aluminum ingots”.
 - The applicant of the disputed trademark obviously applied for the registration of the trademark in bad faith, for the purpose of making unfair profits.

ERE



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



Applying for the registration of a trademark that infringes another party's prior rights

Article 32 of the *Trademark Law*:

No trademark application shall infringe upon another party's
existing prior rights.



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



No. 7968391 “季世家1915 and device” trademark opposition case

- The opposed trademark:
- The opponent (Ji Keliang):



The human head portrait device in the opposed trademark bears the same major characters with the portrait of the opponent. It has constituted the infringement of portraiture right that the opposed applied for trademark registration of the portrait in his own name without consent of the opponent.



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



The agent or representative of a person who is the owner of a trademark applying in bad faith for the registration of the mark in his own name

Article 15 of the *Trademark Law*:

Where the agent or representative of a person who is the owner of a mark applies, without such owner's authorization, for the registration of the mark in his own name, if the owner opposes the registration applied for, the application shall be refused and the use of the mark shall be prohibited.



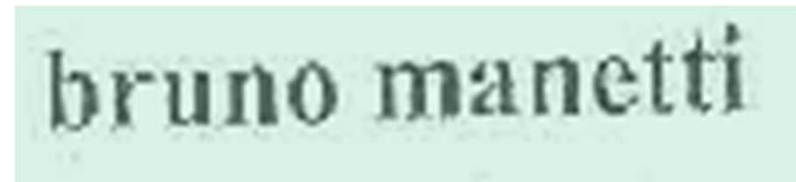
中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



No. 3083605 “BRUNO MANETTI” trademark opposition case

- The opposed trademark:
No.3083605 “BRUNO MANETTI”
trademark
- The opponent has provided
notarial agreements of “BRUNO
MANETTI” trademark license and
assignment, which proved that as
the agent of the opponent, the
opposed clearly knew that the
“BRUNO MANETTI” trademark was
owned by the opponent, and that
the opposed was not authorized to
register the “BRUNO MANETTI”
trademark in China.
- Ruling of the opposition:
The opponent’s grounds of opposition
is justified, and the registration of
No.3083605 “BRUNO MANETTI”
trademark is not granted.





中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



New amendments in the *Trademark Law* against bad-faith filing

- In the General Provisions (Paragraph 1 of Article 7), add the provision of “The application for registration and the use of trademarks shall follow the principle of good faith.”
- Add Paragraph 2 in Article 15: “A trademark that is applied for registration in identical or similar goods with another party’s prior used identical or similar trademark shall not be registered, if the applicant is in a contractual or business relationship or other kind of relationship other than provided in the preceding paragraph with the party, thus clearly knows about the party’s trademark and that the party opposes the registration applied for.”



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



The screenshot shows the official website of the Trademark Office of the Administration for Industry & Commerce of P.R.C. The header features the logo and the name in Chinese (中國商標網) and English. Below the header is a navigation menu with links to Home, News, Trademark Strategy, Trademark application, Trademark Enforcement, Organization, Important Announcements, International Cooperation, Laws&Regulations, Statistics, Well-known Trademarks, Trademark Agency, and Geographical Indications. The main content area is divided into several sections: News (with a list of recent news items and dates), Search (with a search bar and a search button), Organization (with links to About us, Internal divisions, and Organization chart), and Important Announcements (with a link to Annual Development Repo.). There are also several icons for services like Online application, Trademark search, Trademark gazette, Trademark Application Guide, Trademark Registration Flow Chart, Application Guide for Madrid, and Trademark Application Forms. The footer contains links to Laws&Regulations and Trademark Strategy.

<http://sbj.saic.gov.cn/>



中华人民共和国国家工商行政管理总局商标局

Trademark Office of The Administration for Industry & Commerce of P.R.C



Thank You!

Tackling Bad Faith Trademark Filings in Japan

Hiroshi Moriyama

Director for Trademark Examination Planning
Trademark Division, Trademark and Customer Relations Department
Japan Patent Office

1. Measures against Bad Faith Filings under the Japanese Trademark Act
2. Case Examples
 - Factors taken into account in determining “Unfair Purposes”
3. Information Submission System
4. Japan’s Concept for tackling Bad Faith Filings
5. Summary

(1) Relevant Provisions under the Japanese Trademark Act

Provisions applicable to bad faith trademark filings are as follows:

- Principal paragraph, Art.3(1) : Intension to use the mark
- Art.4(1)(vii): Trademarks against public order or morality
- Art.4(1)(viii): Trademarks containing a name, etc. of another person
- Art.4(1)(x): Trademarks identical with or similar to another person's well-known trademarks
- Art.4(1)(xv): Likelihood of Confusion as to the origin
- **Art.4(1)(xix): Trademarks identical with or similar to another person's well-known trademarks and used for unfair purposes**
- Art.53bis: Cancellation of counterfeiting registration by agents

(2) Major Provisions that cover Bad Faith Trademark Filings

Well -known in Japan	Well-known only abroad	Not well-known either in Japan or abroad
<p>Designated goods/services are similar to each other → Article 4(1)(x)</p> <p>Even if designated goods/services are not similar to each other, when there exists likelihood of confusion → Article 4(1)(xv)</p>		
<p>Even if there is no likelihood of confusion, when the trademark is used for unfair purposes → Article 4(1)(xix)</p>	<p>Even if the trademark is not well-known in Japan, when the trademark is well-known abroad and is used for unfair purposes → Article 4(1)(xix)</p>	
<p>The trademark is against public interest, public morality or international fidelity by such reasons as application was filed fraudulently → Article 4(1)(vii)</p>		
<p>Lack of intention to use the trademark → Principal Paragraph, Article 3(1)</p>		

(3) Refusing trademarks identical with or similar to another person's well-known trademark and used for unfair purposes

Article 4(1)(xix) * Introduce by the Trademark Act Amendment of 1996

No trademark shall be registered, if the trademark:

is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to the purpose of gaining unfair profits, the purpose of causing damage to the other person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding Items);

Points of the provision

- Another person's trademark is "well-known" in **Japan or abroad**
- "Identity or Similarity" between applied trademark and cited well-known trademark



- **"Unfair purposes"**

(4) Trademark applications that falls under Art. 4(1)(xix) of the Japanese Trademark Act

Followings are the example of applications that falls under Article 4(1)(xix):

1. Cases in which trademarks well-known abroad are not registered in Japan
 - Applications filed for the purpose of making the owner of the well-known trademark buy the trademark rights for a high price
 - Applications filed for the purpose of preventing the owner of the well-known trademark from entering the Japanese market
 - Applications filed for the purpose of forcing the owner of the well-known trademark to enter into a distributor agreement
2. Cases where there is no likelihood of confusion between the trademark well-known throughout Japan and the applied trademark identical with or similar to the said trademark
 - Applications filed to dilute the function of indicating the origin
 - Applications filed to impair the reputation of the well-known trademark

(5) Determining “Unfair Purposes” under Art.4(1)(xix)

If materials that demonstrate facts listed below are available, the JPO conducts examination taking them into consideration in order to determine “unfair purposes”.

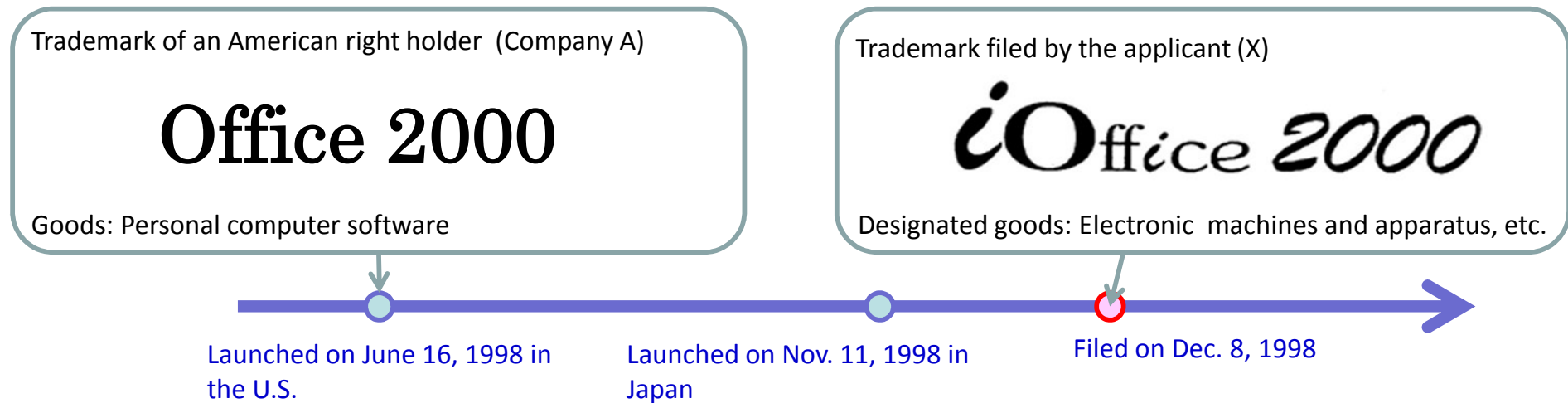
- ✓ Another person’s trademark is well-known
- ✓ The well-known trademark consists of coined words or has highly distinctive features in composition
- ✓ The owner of the well-known trademark has a plan to enter the Japanese market
- ✓ The owner of the well-known trademark has a plan to expand business
- ✓ Demands from the applicant forcing the owner to buy the trademark rights or to enter into a distributor agreement
- ✓ Risks of damaging credibility, reputation and goodwill of the well-known trademark

Even if materials to prove facts listed in the previous slide are not found, a trademark application that meets both of the following requirements is presumed as having an intention to use “another person’s well-known trademarks” for unfair purposes because it is highly unlikely that the trademark coincides with the said well-known trademark only by accident.

- i) The trademark filed is identical with or remarkably similar to the trademark well-known in one or more foreign countries or well-known throughout Japan.
- ii) Another person’s well-known trademark consists of coined words or has highly distinctive features in composition.

(Trademark Examination Guidelines)

2. Case Example(1) "iOffice2000" Tokyo High Court 2001 (Gyo-ke) No.205



Facts acknowledged in determining "unfair purposes:"

- On June 16, 1998, the American right holder (Company A) officially announced in the U.S. that its forthcoming upgraded version of "Office 97" will be launched under the name of "Office2000." Following the media coverage thereof in Japan, a Japanese subsidiary of Company A held an "Office2000" launch event on November 11, 1998 in Japan.
- X filed an application for registration of the trademark in the application concerned on December 8, 1998.
- X is a company engaged in the development and selling of groupware, a kind of personal computer software.



Conclusion: Article 4(1) (xix) of the Trademark Act is applied.

- It is found that X filed an application for registration of a trademark which is similar to the trademark of Company A and thereafter, used the same, with the good knowledge, at least one month before its filing of application, that Company A would launch its forthcoming office software under the name of "Office2000" and that the trademark had become a well-known trademark.
- It inevitably follows that X used the trademark in connection with groupware which is obviously closely related to office software with the intention of **taking free ride on the famousness** of "Office2000" as Company A's trademark and that X's use of the trademark is most likely to **dilute the famousness** of Company A's "Office2000." Therefore, it is found that X's use of the trademark concerned in connection with its groupware had an **"unfair purpose"** under Article 4(1) (xix).

2. Case Example(2) "S DESIGN"

Intellectual Property High Court 2009

Trademark of a Swiss right holder (Company C)



Goods: Automobiles, wheels, etc.

Trademark filed by the applicant (X)



Designated goods: Automobiles, etc.



Facts acknowledged in determining "unfair purposes:"

- X started the import and selling C's products in autumn 2001 as a de facto agent of a Swiss right holder (Company C).
- Company C sent a protest letter on November 6, 2003 because X exhibited C's products in a manner that can be misleading, without the consent of Company C, at the Tokyo Motor Show.
- X filed an application for registration of the trademark concerned on November 13, 2003.
- Relations between the two soured and X sent a letter to dissolve a partnership on December 9, 2003, and the partnership was dissolved.
- As at November 2006, Company C sent a letter to X's clients requesting a discontinuation of counterfeiting wheels of SPORTEC and the possibility for continuation of partnership between the two is completely disappeared.

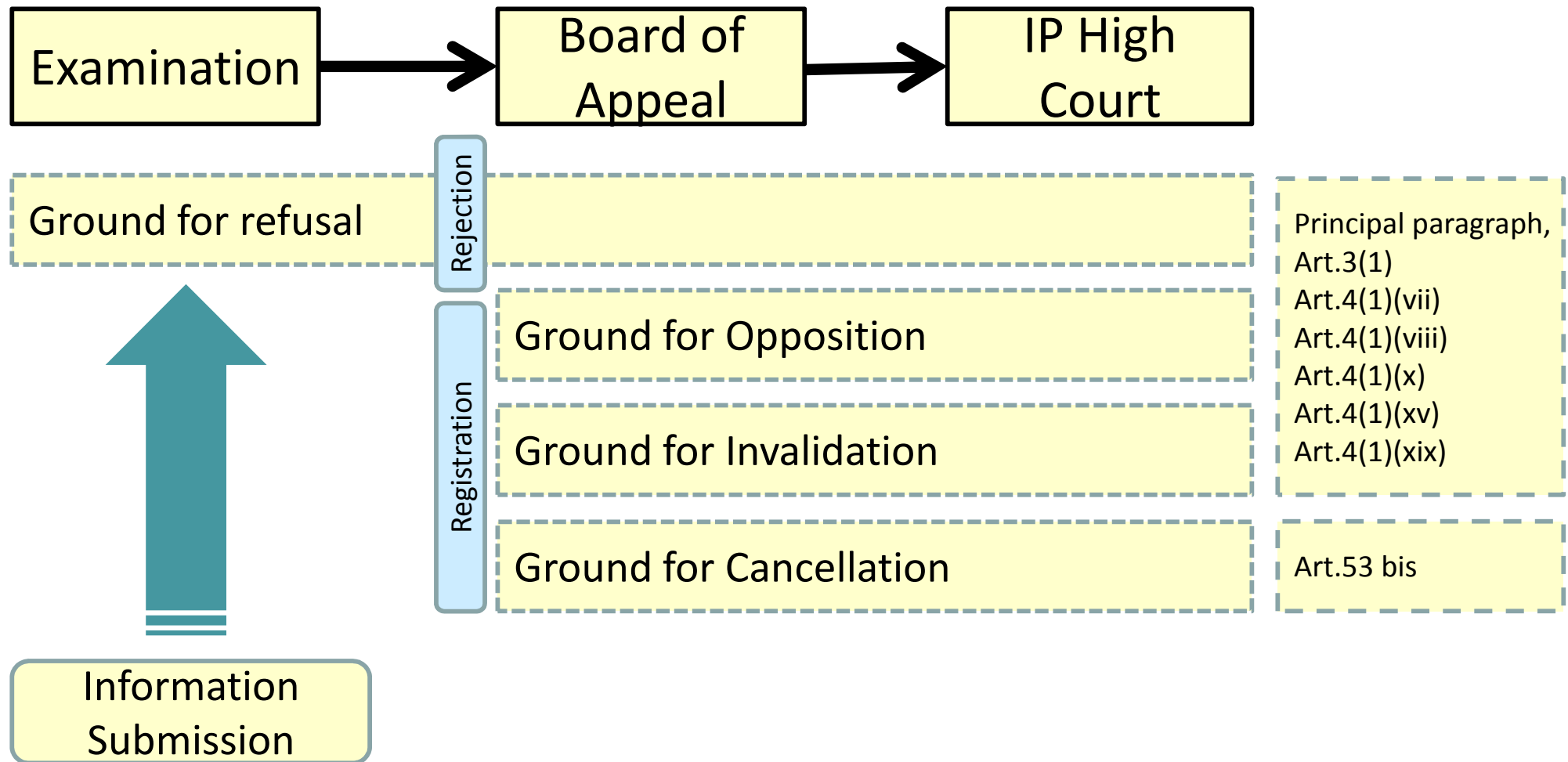


Conclusion: Article 4.1 (xix) of the Trademark Act is applied.

- It is found that X's application for registration of the trademark concerned is filed for an unfair purpose because it can be said that there was an intention to utilize the goodwill of the Company C's trademark and its products and further to benefit its own business even after the partnership is dissolved, in the circumstances that the partnership was to be dissolved between X and Company C.

3. Scheme for tackling Bad Faith Filings in Japan

- Bad faith trademark filings can be refused in the examination of the JPO under the Trademark Act.



4. Information Submission System

Any person can provide the JPO with the information that the trademark in the application concerned is not registrable (ie. Information that the trademark falls under the reason for refusal) by using Information Submission System.

(Article 19 of the Ordinance for Enforcement of the Trademark Act)



Who ? : Any person

When ? : Applications pending before the JPO

What ? :

- 1) Publications or a copy thereof
- 2) Catalog, brochure, etc. which is related to use of the trademark
- 3) Documents showing use of the trademark such as a copy of documents involved in business transactions

(Trademark Examination Manual 89.01)

750 submissions are
received in 2013

- **Bad faith trademark filings can be refused in the examination of the JPO under the Trademark Act.**
- **Submission of information will be effective in order to refuse bad faith filings in the examination.**
- **JPO will continue to work on sharing information on laws and regulations as well as examination practices regarding bad faith filings and enhance outreach for users by leading the “Bad faith trademark filings Project” in the framework of TM5.**

Thank you