

Report Q191

in the name of the Japanese Group

Relationship between trademarks and geographical indications

Questions

I) Analysis of current legislation and case law

- 1) *Do your country's laws have enactments or systems dealing specifically with GIs, e.g. a registration system for GIs? If so, what are the criteria of registrability? To which national authority must an application for protection be made? Does the applicant have the right to appeal against the refusal of the national authority to register a GI? If so, to which entity?*

We do not have any special registration system for GIs in Japan. However, pursuant to Paragraph 1 of Article 86sexies of the Law Concerning Secureness of Liquor Tax and the Liquor Business Association, etc., "Indication Criteria on Geographical Indication" have been established. They prohibit, in connection with wines and spirits not originating in the place indicated by the geographical indication in question, use of (i) the geographical indication indicating the origin designated by the Director General of National Tax, among origins of wines or spirits in Japan and (ii) the geographical indication prohibited in connection with products not originating in the area in question, among geographical indications indicating origins of wines or spirits, in a member state of the World Trade Organization. This provision corresponds to Articles 22 and 23 of TRIPs agreement. For your reference, the following five designated names of origin of wines, spirits, or sake in Japan are specified as GIs.

Type of Liquor	Designated Names of Origin	Region of Origin
Shochu	Iki	Iki City in Nagasaki Prefecture
Shochu	Kuma	Kuma-gun and Hitoyoshi City in Kumamoto Prefecture
Shochu	Ryukyu	Okinawa Prefecture
Shochu	Satsuma	Kagoshima Prefecture (excluding Naze City and Oshima-gun)
Sake	Hakusan	Hakusan City in Ishikawa Prefecture

According to this notification, the indications listed above should not be used on shochu (Japanese white liquor) and sake not originating from those regions.

There are no rights holders of the indications under this notification, and therefore they cannot be transferred, pledged as collateral, or licensed.

Furthermore, there is no system which allows any third party to challenge, or request cancellation of, this notification.

- 2) *What is the status of a GI in your country? Does the registration of a GI confer a property right? Who would be the rightholder of a GI? Can GIs be the subject of dealings such as assignment, mortgage and licensing?*

Please refer to the answer to Q1.

- 3) *Is the application for or registration of a GI made public in your country? Is it possible to oppose such application or registration or cancel such registration of a GI? If so, by whom and on what (absolute or relative) grounds (e.g. generic or descriptive term or prior trademark)?*

Please refer to the answer to Q1.

- 4) *Must use requirements be satisfied in order to maintain GI protection? If so, is there any definition of what constitutes use? Are the legal rules established for appraising the maintenance of a trademark registration applicable to the appraising of the maintenance of GI protection?*

Please refer to the answer to Q1.

- 5) *What is the scope of protection of a GI? Is it only protected against use of the name or also against use of elements of the specification of the GI (e.g. slicing, grating) or any other practice liable to mislead the public as to the origin of the product (e.g. use of same trade dress)? Are the legal rules established for determining the scope of trademark protection applicable to determining the scope of GI protection (e.g. in relation to reputed or well-known GIs, likelihood of confusion, infringing and non-infringing acts)? May rights in a GI be enforced even where a product which allegedly infringes those rights has been made purely for export?*

Protection that satisfies the provisions of Articles 22 to 24 of the TRIPs agreement is granted. In addition, there are some trial decisions and court decisions concluding that trademark rights do not extend to any GI specifically established in Japan or abroad.

- 6) *Can a GI be registered as individual trademark? If so, under what conditions?*

A trademark application which consisting solely of a geographical name is basically not registrable (Article 3(1)(iii) and (vi) of the Trademark Law). In addition, a trademark application which consisting of a geographical name and a name of goods (or services) is basically not registrable. However, if as a result of the use of such indication as a trademark consumers are able to recognize the goods as being connected with a certain person's business (i.e., having gained distinctiveness), a trademark registration may be obtained (Article 3(2) of the Trademark Law).

- 7) *Do your country's laws provide for collective or certification marks? If so, under what conditions can a GI be registered as a collective mark or a certification mark?*

Japan has a collective trademark system and a regionally based collective mark system (the latter having become effective on April 1, 2006).

In order to register a GI as a collective trademark, it should satisfy the same requirements for registration as those of general trademark. A trademark consisting solely of a GI or a trademark consisting of a mere combination of a GI with a mark that does not have distinctiveness is basically not registrable (Article 3(1)(iii) and (vi) of the Trademark Law) and it becomes registrable only if, as a result of the use of the trademark, consumers are able to recognize the goods as being connected with a certain person's business (Article 3(2) of the Trademark Law). In practice, in order for it to be found that consumers are able to recognize the goods as being connected with a certain person's business, it is understood that the trademark should have a high level of distinctiveness throughout Japan.

On the other hand, indication which consists of a geographical name and a product name (for goods or services) may be registered as a regionally based collective mark if the applicant satisfies certain personal requirements and if the such indication is well known (Article 7bis of the Trademark Law).

- 8) *Does inclusion of a protected GI as part of a trademark qualify as legal bar to the registration of such trademark?*

Irrespective of whether it is a GI or not, any application for trademark including a geographical name that is combined with a common name for goods, indication of quality, or a common name for services is rejected pursuant to Article 3(1)(iii) of the Trademark Law. Any application for trademark including a geographical name that is combined with letters or diagrams other than letters having no identifi- cal function, such as a common name for goods, indication of quality, or a common name for services, is rejected pursuant to Article 4(1)(xvi) and (xvii); however, trademark registration may be obtained for a trademark that is no longer likely to be misleading as to quality after modifications to the goods (or services) designated or for a mark indicating an origin of wines or spirits in a member state of the World Trade Organization the use of which is no longer prohibited on wines or spirits not originating in such a region of that member state.

- 9) *Do your country's laws, e.g. trade or merchandise legislation, require the application of correct designations of origin/source on agricultural products and food-stuffs?*

Correct designation of origin is required under the Law Concerning Standardization and Proper Labeling of Agricultural and Forestry Products, the Act Against Unjustifiable Premiums and Misleading Representations, the Unfair Competition Prevention Law, and the Customs Law.

- 10) *How are conflicts between trademarks and GIs resolved under your country's laws? Do they co-exist or does either the trademark or GI prevail? Is there a rule for determining whether the trademark or GI should prevail, and what are the criteria to take into account (e.g. the "first in time, first in right"-rule, the reputation of the geographic region or the reputation of the trademark, the length of time that the name has been used to indicate the geographic region and the extent of such usage, the length of time that the trademark has been used and the extent of such usage)?*

There is no special rule to settle conflicts between trademarks and GIs. As already explained, an application for a trademark consisting solely of a geographical name is basically not registrable pursuant to Article 3(1)(iii), Article 4(1)(xvi) and (xvii), and Article 15 of the Trademark Law (refer to questions 6 to 8). In addition, Article 26(1)(ii) of the Trademark Law (Limits of Trademark Rights) refers to "trademarks indicating, in a common way, the common name, origin, place of sale, quality, raw materials, efficacy, use, quantity, shape (including packaging shape hereinafter referred to in the following paragraph as "shape") or price or the method or time of manufacturing or using the designated goods concerned or goods similar thereto or the common name of services similar to the designated goods, location of provision of the services, quality, articles for use in such provision, efficacy, use, quantity, modes, price, or methods or time of such provision" and stipulates that the effects of a trademark right shall not extend to the indication of origin, etc. that is indicated in a common way.

II) Proposals for adoption of uniform rules

The Groups are invited to put forward any proposals for adoption of uniform rules regarding the relationship between trademarks and GIs. More specifically, the Groups are invited to respond to the following questions:

- 11) *Should countries provide for registration systems dealing specifically with GIs? If so, what should the key features of such system be? Should a multilateral system of registration of GIs be established? If so, what should the key features of such multilateral system be? Specifically, which international body should be tasked with establishing such system? How should the application for or registration of a GI be notified/made public (either in your country or at a multilateral level) in order to avoid that a trademark may conflict with a GI previously unknown to the trademark owner?*

As far as Japan is concerned, we do not think that registration systems dealing specifically with GIs are necessary, because the existing system provides adequate protection, and special systems for GIs generally tend to differ so greatly among countries according to local conditions that international harmonization is difficult.

Regarding the establishment of a multilateral notification and registration system regarding the registration of GIs, it should be a loosely binding system in which each country notifies the International Bureau of its protected GIs for the purpose of creating a database and may make its own decision as to registrability with reference to such database.

Since each country's desire to protect GIs is different and it seems unreasonable to force the provision of universal protection through registration, we don't think it necessary to create a multilateral system for the registration of GIs.

- 12) *Do you have any suggestions as to the acquisition, maintenance, scope and enforcement of GI protection? What should the scope of protection of a GI be? Should the legal rules established for appraising the acquisition, maintenance, scope and enforcement of trademark protection apply to the appraising of the acquisition, maintenance, scope and enforcement of GI protection?*

Regarding GIs, it seems to be that the interpretation thereof is not harmonized among countries. Before discussing the acquisition, maintenance, scope and enforcement thereof, we think it necessary to argue for harmonizing the interpretation of GIs.

With respect to indications including a geographical name, they are also protected under existing laws and therefore it is not necessary to provide for a new special rule for indications including a geographical name.

- 13) *Should a protection of GIs by individual and/or collective or certification marks be possible?*

Utilization of a trademark system makes possible to some extent the setting up of requirements for third parties regarding the use of GIs.

- 14) *How should conflicts between trademarks and GIs be resolved? Please propose a specific rule for determining whether trademark or GI should prevail, which is likely to be broadly accepted. If co-existence is contemplated, should such co-existence be limited to the country of origin or relate to the relevant markets?*

The adequacy of the relationship between GIs and products is influenced by history, culture as well as the distribution region, so we think it impossible to form rules for harmonized protection on a global level. In Japan, GIs can be protected under existing laws. For example, an indication consisting solely of, or including, a geographical name is protected as a matter of course if the Japanese consumer is able to recognize the goods or services as being connected with a certain person's business. On the other hand, especially with respect to a

foreign geographical name that does not satisfy such requirement, since in Japan it is not even known to be a geographical name and therefore not recognized as falling under Article 3(1)(iii) of the Trademark Law, it is highly likely to be registered. In order to protect GIs that are not well known among consumers outside the country of origin, it might be useful to utilize a loosely binding database at the International Bureau referred to in the answer to Q11.

Summary

The relationship between products and geographical indications differs from country to country according to history and culture. Therefore, at this stage, we cannot assent to the rapid drive to create uniform international rules. Rather, the way ahead is by solving problems on an individual basis.

Résumé

Comme les rapports entre les produits et les indications géographiques diffèrent d'un pays à l'autre selon l'histoire et la culture, nous ne pouvons approuver, en l'état actuel des choses, une élaboration hâtive de règles de protection internationales uniformisées. Par conséquent, nous considérons qu'il est préférable, dans l'immédiat, de régler les problèmes au cas par cas.

Zusammenfassung

Der historische und kulturelle Hintergrund für den Zusammenhang zwischen Produkten und geographischen Angaben unterscheidet sich von Land zu Land. Aus diesem Grunde können wir zum gegenwärtigen Zeitpunkt nicht der Ansicht zustimmen, das Aufstellen von weltweit einheitlichen Schutzregelungen zu forcieren. Vielmehr sollten derzeit Probleme auf der Basis des jeweiligen Einzelfalles gelöst werden.