

Well-Known Trademark Protection Reference to the Japanese experience

Final Report
In
Fulfillment of the Long Term Fellowship

Sponsored By:

World Intellectual Property Organization (WIPO)
in Collaboration with the Japan Patent Office
April 2 - September 30, 2010

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This report is a mandatory requirement of this fellowship; views and findings are those of the author and do not necessarily reflect the views and policy considerations of his organization or sponsor of this study.

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ACKNOWLEDGEMENTS

First of all, I would like to express my thanks to the National Office of Intellectual Property of Vietnam (NOIP) for nominating me to attend the long term study-cum-research fellowship program sponsored by the World Intellectual Property Office (WIPO) and organized by the Japan Patent Office (JPO). I would like to express my sincerest gratitude to WIPO and JPO for providing me this opportunity of exploring the knowledge and experience in my field of working.

I would like to express my thanks to the Asia Pacific Industrial Property Center (APIC) of the Japan Institute of Invention and Innovation (JIII), and the National Graduate Institute for Policy Studies (GRIPS) who has been a great tool to accomplish the present task.

I would like to express my sincere gratitude to Mr. Tran Viet Hung – Director General of NOIP, Ms. Nguyen Thi Minh Hien – Director of Trademark Division No.2 of NOIP, and Mr. Koichi Minami - Deputy Commissioner of JPO for this assignment, and to Mr. Yoki Kawata - President of JIII, and Mr. Takao Ogiya – Director General of APIC for taking care of all infrastructural requirement during my studies.

I express my sincere gratitude and appreciation to Prof. Kenichi Morooka – my supervisor – for his professional guidance and advice, and for his encouragement and support.

In person, I would like to express my thanks to my coordinator - Mr. Masakazu Yokoyama, Ms. Yukiko Koyanagi (APIC) for their support, attention and detailed arrangement during my six months' study and living in Japan. I will be my great pleasure to extend my sincere thanks to all of the officials of APIC that have been always a great support to me as to realize me at home, to senior officers and valuable colleagues in NOIP, JPO, AIPPI, Hanoi National University, and Hanoi Law University for their support.

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I would like to express my sincere thanks to Ms. Duan Xiaomei - my co-researcher from China and deepest thank is addressed to Mr. Suman Shrey Singh – my co-researcher from India for his cooperative and considerate attitude and friendship.

My sincere thanks are also due to others that I could not mention them all for their attentions and helps.

Last but not least, I would like to give my heartfelt thanks to my family and friends, for their inspiration, support, understanding and encouragement. This time is precious opportunity for me to realize how much they love me. My highest appreciation is reserved for my parents for their love and encouragement.

Study Theme: Well-known trademark protection – Reference to the Japanese experience

Introduction

1. Overview of research theme

In today's marketplace, well-known trademarks bring huge commercial value for trademark owners. Therefore the demands for effective protection, as well as the risk of being copied for such trademarks are increasing. Trademarks are "signs" which distinguish the goods and services of one enterprise from another. Well-known trademarks play a more important role here. They act as a marketing tool, and as a symbol of reputation and prestige in many companies. Moreover, from the point of view of the consumer, trademarks act as a measure by which to identify in which "class" consumers are. By virtue of the intensive and extensive degree to which they have been promoted and developed by owners, trademarks have become widely known, and have been placed in the minds of consumers such that they can produce a self-attraction effect, which contributes much to increased sales of products bearing the mark.¹ Because of such exceptional power, protection of well-known trademarks requires expansion of legal principles beyond the traditional scope of trademark law. Trademark rights, as with other intellectual property rights, have a scope of protection limited by the very function they are meant to serve. In order clearly to identify an origin, protection has to go only as far as to prevent confusion. Therefore, it is not necessary to prevent the use of an identical or confusingly similar trademark in a context that would not lead to confusion such as for different goods or services.² In this situation, it is unlikely that the consumer is mistaken by the same trademark for unrelated goods, for example soaps and motorbikes. Protection of trademark is therefore limited to the scope of similarity of marks for identical or similar goods or services. The traditional principle for trademark protection is also limited to the geographical territory where the protection has been obtained. Yet today, consumers move more freely across borders and

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information has been exploited over the Internet thanks to the rapid development of technology. As a result, consumers may know the products bearing well-known trademark even in the case that such products do not exist in their marketplace. However, even though some trademarks have become globally well-known, such as “COCA-COLA”, “MICROSOFT”, “IBM”, etc. (The Top 100 Globally Well-Known Brands 2010 of Business Week), it cannot be said that their goods or services are actually supplied to the market in every country, and in addition, this also does not mean that these trademarks are registered in every country throughout the world. Therefore, in the case such a trademark is imitated or pirated in a country in which it is not registered or used yet it may have not been protected under trademark traditional principles. So the appropriate protection of well-known trademarks has become an essential issue not only domestically, but also in trade relations between nations.

The protection system for well-known trademarks in Vietnam has been changed from registration system to automatically established system based on the widely usage after the promulgation of Intellectual Property Law 2005. In contrast to the lack of experience of Vietnam in this matter, Japan has long-standing practices in this respect, so it may serve as a helpful reference for Vietnam.

In the light of the importance of protecting well-known trademarks, this paper aims to conduct a study of the well-known trademark protection system in Japan, point out the advantages of this system and some main differences between the systems in Japan and Vietnam. A conclusion and recommendation will be made after comparison with Japan's experience.

2. Some misunderstood definitions: famous trademarks, well-known trademarks, widely-known trademarks, trademarks with good reputations

With respect to the trademarks which have reputations, there is a variety of terms referring to this kind of trademark, including famous trademarks, well-known trademarks, widely-known trademarks, trademarks with good reputations, etc.

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There appears to be considerable confusion between well-known trademarks and famous trademarks. Courts and legal scholars alike sometimes use the terms interchangeably. A well-known trademark is sometimes called a famous trademark. However, differences exist between the two notions, and it appears that the standard for achieving famous trademark status is higher than that required for well-known trademark status.

Generally speaking, a distinction between “well-known” and “famous” or between “well-known trademarks” and “famous trademarks” is not very clear in any of the international conventions or treaties, national trademark laws or related laws, or even in papers authored by leading commentators and practitioners.

In the position of the United States, with respect to this point, a statement made in an article by Mr. Frederic Mostert, the former President of International Trademark Association (INTA), as follows:

“The ordinary dictionary meaning of “well-known” according to Merriam Webster is, among others, “widely known” and “known to many”. In the context of trademark law, therefore, a well-known mark can be characterized as a mark which is known to a substantial segment of the relevant public in the sense of being associated with the particular goods or services.

It has often been suggested that a special category of well-known marks, i.e., “famous” marks be recognized. Famous marks are considered to have a higher degree of reputation than well-known marks and therefore deserve a broader scope of protection against unauthorized use on non-competing goods or services.”³

A famous trademark must be used for some goods or services which have been continuously and internationally distributed and marketed throughout the world, causing them to become globally identified in connection with a specific source or quality of goods or services.

In the position of the EU, the Community Trade Mark Regulation also includes certain provision concerning well known trademarks and trademarks with reputation as follows:

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A well-known trademark in the sense of Art.6bis of the Paris Convention is a trademark which as a consequence of its extensive use in the market and its advertising has been widely diffused without losing its distinctive character and is well-known by the consumers of those goods or services for which the trademark is protected. (CTMR Art.8(2) (c))

A trademark with a reputation, on the other hand, refers to a trademark which as a result of its extensive use in the market is not only recognized by consumers in its specific sector, but has a general reputation in the Community. These trademarks benefit from a protection even beyond the similarity of the goods and services, in the case where the later mark would take unfair advantage of, or be detrimental to, the distinctive character or the reputation of the earlier mark. (CTMR, Art. 8 (5))

This distinctiveness is provided clearly in relation to the degree of well-knownness.

In the position of Japan, the terms “famous trademark”, “well-known trademark”, “widely known trademarks” appears in Japanese Trademark Law (JTL) and Unfair Competition Prevention Law (UNFAIR COMPETITION LAW), although such used terms are not clearly defined.

The “well-known or widely known trademarks” are protected under Article 4(1)(x) of JTL in the scope of identical and similar goods or services under Article 4(1)(x) of JTL.

The “famous trademarks” are protected from being confused with third parties’ trademarks within the scope of dissimilar goods or services under Article 4(1)(xv) of JTL.

Moreover, based on the same purport, since the defensive trademark of Article 64 are also based on the supposition of possible confusion occurring within the scope of dissimilar goods or services, this article is also believe to target at “famous trademarks”.

A distinction made between “well-known trademarks – well-known indications of goods, services or business” and “famous trademarks - famous indications of goods, services or business” is stipulated in Unfair Competition

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Law. Moreover, in the latter case, it is considered to be applicable in preventing free rides and dilution of “famous trademarks” as well. A manner of thinking in Japanese law is similar to that of the United States as previously mentioned, because the target of this kind of protection should be “famous trademarks”.

The characteristics, attributes, and common features of well-known marks will, accordingly, be examined and explored in an effort to provide a clearer substance to the notion of a well-known mark. It should, nonetheless, be recognized that well-known status cannot be pinpointed with precision by a bright-line definition. It merely reflects the level of recognition of the mark among the relevant public within the context of special circumstances of a given case. As such, well-known status can at best be described as a dynamic circumstance whose reach will depend upon both multiple and variable market-specific factors at a given moment in time.⁴

In the position of Vietnam, the two terms “well-known trademarks” and “widely-known trademarks” are clearly differently defined in Intellectual Property Law. Well-known trademark is a mark widely known throughout territory of Vietnam.⁵ It is protected without registration requirements. Well-known trademark rights are automatically established through usage. The definition for widely-known trademark cannot be found in Intellectual Property Law. However, one of the thirteen signs which shall be deemed to be indistinctive listed in the law is a sign identical with or confusingly similar to another person's mark, which has been widely used and recognized for similar or identical goods or services before the filing date or the priority date. Therefore, it should be deduced that a widely-known trademark is a mark widely used and recognized among consumers. In comparison with the two above-mentioned terms, well-known trademark is reserved a higher protection than that of widely-known trademark. Widely-known trademarks are protected from other parties' registration, but trademark rights are only obtained through its own registration.

3. The function of trademarks and protection of trademarks

We are living in a consumer society surrounded by many goods and services,

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and the decision to purchase a particular good or service depends in large part on trademark. For many trademarks, they represent more than just the names of the owners; they are also visual symbols for indicating the origin of goods and services.⁶

Trademarks possess important functions, and are protected as a kind of intellectual property. They act as tools necessary for maintaining goodwill and reputation, as acquired through fair use of a trademark, secure and, at the same time, benefiting consumers by assisting in the selection of goods or services, among many sources, of desired quality or taste.⁷

Normally, a trademark has the following main functions: it functions to distinguish a source, to indicate an origin, to guarantee quality and function of advertising or association. In fact, the first two functions of the trademark are mutually interdependent, and should always be considered together. The two latter functions are derived from the two former functions.

Trademark function is to identify goods or services for the customer so that the customer is able to identify the one's goods and services from those of other's competitors. To accomplish this function trademark should have the ability to differentiate itself and differentiate from others. The ability to differentiate itself gives trademark an impressive impact on the overall perception of consumers, so they can recognize, remember and compare with other trademarks. This character may change, depending on the actual use of trademark in the marketplace. For example, a mark is a sign of simple (two letters, a simple set of geometrics, etc.) which was deemed undistinguishable after a long time being used continuously, extensively and intensively, could become a possible sign of self-distinction for consumers. In this case, a generic sign may overcome its genericness if it obtains a secondary meaning that can be used to identify a source or goods or services.

The function of indicating origin is closely linked with distinguishing features, as the trademark allows consumers to distinguish products or services bearing that trademark with those of others made at mark it completed the function of indicating origin. Identification of products or services and producer

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or provider is an essential characteristic of trademarks and lays the foundation for the trademark in the distribution marketplace. When consumers see a mark, they know from where the product or service came. Moreover, when a consumer sees a trademark, they recall something good or bad about the goods or services bearing that trademark.

The fourth function of trademarks is to serve as a guarantee of quality. The use of trademarks causes consumers, perhaps unconsciously, to recognize a certain quality of goods or services in connection with the mark. Historically, the trademarks were used primarily to indicate the source of goods or services so that consumers were able hold producers responsible for poor quality or defective products. The trademark holders try to maintain consumer loyalty to their goods or services by using their sign in order to promote their reputation in the marketplace. For example, Honda is a trademark for motorbikes which are very familiar to Vietnamese consumers. When they want to purchase a fuel efficient, durable, well-designed motorbike at a reasonable price, among so many brands, Honda is often the first choice of many people, because they believe in the quality of products made by Honda. The similarity of products creates an increased emphasis on the quality function trademarks serve because consumers will have difficulty in determining which good to purchase in place of another if all of the choices within a specific class of products are nearly identical. Herein lays the importance of trademarks – to ensure that consumers may determine their preference for goods or services depending on the identifying qualities maintained by a trademark. Therefore, trademarks play a significant role in the marketplace because they have the function of protecting consumers and forcing businesses to retain accountability for the quality of their goods or services.

The other significant function of a trademark is the role of advertising or association. The advertising function of a trademark is reflected in the ability of the mark to call to mind the specific product and to evoke associations of satisfaction and desirability for that product. Consumers buy a product or services affixed certain trademark, they memorize that trademark, are familiar with that trademark and keep an image of that trademark in their mind such as:

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Louis Vuitton - a luxury bag, Toshiba - a high-quality electronic company, Google - a convenient search engine on the Internet. In this situation, trademarks can function as an advertising tool. The reputation of a company is automatically embodied in their trademark. If products acquire a very positive reputation, trademarks affixed to these products become well-known and valuable. Furthermore, trademarks encourage manufacturers to put forth their best business efforts at all time because trademarks allow users to develop or destroy an association of goodwill to a business.⁸

A trademark has the above functions, all of which are mutually interconnected. However, in particular terms, the most important function of trademarks is to distinguish the source or origin of goods or services. On the other hand, the trademark owner must continue efforts to keep “goodwill” as will naturally be established by maintaining the quality of goods or services as well as the reputation acquired through the use of trademarks.

As above-mentioned, trademark has an important function, not only for trademarks holder but also for consumers, and society at large, therefore trademark protection is also very important.

As a result of long and extensive use, a trademark can create and increase goodwill (or trust) for the business owning the said trademark in respect to the goods or services. Once goodwill has been established, the trademark owner may enjoy very important benefits; that is, once goodwill is established for a trademark, a positive image clearly remains in the memory of consumers, and the merchandise or services represented by that specific trademark, among any number of competitive options, are likely to be selected or desired again. Similarly, demand also naturally repeats and, as a result, that business’s occupied market share may be maintained so long as the good reputation of trademark is maintained.⁹

On the other hand, it also holds true that one may expect the occurrence of unfair trade activities (such as infringement or unfair competition) by unauthorized parties wishing to profit unjustifiably through utilization of the good reputation or goodwill already established by a trademark owner.

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Accordingly, in order to keep the adequate functioning of trademarks and to properly protect the goodwill created through their continuous use effective protective legislation is necessary.

Trademark protection is also necessary for customers who purchase products or services bearing protected trademarks. Once a trademark is protected, the owners of trademark must keep their eyes on the quality of their products or services in connection with that trademark and customers can believe in their choice.

Chapter 1 – International framework of well-known trademarks protection

1.1. Paris Convention

The need to protect well-known trademarks was discussed internationally by the member states of the Paris Convention in the 1920's, whereby the provision of Article 6bis was first incorporated in the Hague text of the Paris Convention in 1925.¹⁰ Thus, the term “well-known trademark” in the Paris Convention has been interpreted as including famous trademarks as well. The heart of the protection for well-known trademarks is found in Article 6bis of the Paris Convention.

The provision of Article 6bis reads as follows:

“ARTICLE 6bis (Protection of well-known trademarks)

(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well-known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.

(2) A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested.

(3) No time limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or used in bad faith.”

The main content of Article 6bis of the Paris Convention is summarized as follows:

- (i) There is no requirement for registration with respect to well-known trademarks in the country where protection is sought under Article 6bis;
- (ii) In order to be protected as well-known under Article 6bis, a trademark

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must be recognized as well-known in that particular country;

(iii) Any trademark identical or similar to a well-known mark and liable to cause confusion in that it constitutes a reproduction, imitation or a translation shall be refused, have its registration cancelled, or shall have use by unauthorized third parties prohibited (hereinafter referred to as a third party's mark);

(iv) The ambit of well-known trademark protection is limited to preventing from the use or registration of a third party's trademark for similar or identical goods, in other words, the scope of goods which a trademark is to be used must be identical or similar to that of a well-known trademark.

(v) Article 6bis does not cover trademark use for services;

(vi) Article 6bis also applies to similar marks that derive their essential parts from a well-known trademark or are "an imitation liable to create confusion".

(vii) Interested parties have at least five years from the third party's registration date to request cancellation. In the case that such trademark has been registered in bad faith, no statute of limitations is fixed; a request for invalidation trial can be accepted at any time.

It has been emphasized that Article 6bis provides a limited scope of protection for well-known trademarks, yet this still remains insufficient for meeting current needs regarding the protection of well-known trademarks from confusion, free-rides and dilution, the insufficient issues may be mentioned as: trademark use or registration for services is not covered in this article, limitation of well-known trademark protection is within similar or identical goods and the convention does not specify how the mark came to be well known in that country.

However, the Paris Convention is positioned much like a constitution within intellectual property legislation and insufficiencies in Article 6bis have now been supplemented with Article 16(2) and (3) of the TRIPS Agreement as well as the Joint Recommendation concerning Protection of Well-known Marks as prepared by WIPO and adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property

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Organization (WIPO) at the Thirty-Fourth Series of Meetings of the Assemblies of the member states of WIPO, September 20 to 29, 1999.¹¹

1.2. TRIPs Agreement

The Agreement on Trade-Related Aspects of Intellectual Property Rights of 15 April 1994 (TRIPs Agreement) provides additional legal standards for recognition and protection of well-known trademarks. As is shown by its name, the TRIPs Agreement was born based on an awareness of occurrence of various serious problems involving trade and commerce, such as problems with counterfeit goods, due to a lack of harmony and shortcomings in system for protection of intellectual property rights implemented in numerous countries. In order to make enhanced protection of well-known marks on an international level, the TRIPs Agreement in Article 16(2) and (3) broadens the scope of Article 6bis of the Paris Convention as follows:

“Article 16 (Rights Conferred)

- (2) Article 6bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to services. In determining whether a trademark is well-known, account shall be taken of the knowledge of the trademark in the relevant sector of the public, including knowledge in that Member obtained as a result of the promotion of the trademark.
- (3) Article 6bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use.

This provision, Article 16, is characterized by its supplementary role to Article 6bis of the Paris Convention in three ways:

- (i) Extending the scope of well-known trademark protection to services while Article 6bis explicitly only covers goods;

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- (ii) Making more flexible in determining a well-known trademark, or, in other words, taking knowledge of a trademark in relevant sectors of the public into consideration so that the criteria for determination of well-known trademarks can more closely correspond to actual market conditions and be reflected in a viable environment.
- (iii) Expanding the scope of protection in which article 6bis of the Paris Convention is applied, even in cases of dissimilar goods or services, provided that use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the well-known mark and the interests of the owner of the well-known mark are likely to be damaged by such use. In other words, this provision is applied to the cases when the use of an identical or similar trademark causes the risk of confusion even in respect of dissimilar goods or services as well as impairs the goodwill and reputation established by the owner of well-known trademark resulting from use by third party (including, for example, so-call free rides or dilution).

It should be noted that since Article 2 of the TRIPS Agreement requires respective provisions of the Paris Convention be automatically applied to WTO member countries as well, broad national protection can be expected in WTO member countries (a substantial number of countries are member to both the Paris Convention and WTO) in respect to Article 16(2) and (3) of the TRIPS Agreement.

Article 16(3) of the Trips Agreement makes a legal basis available for the protection of well-known trademarks on non-competing goods or services provided that the trademark concerned has been registered. This also has its limitation because of fact that it requires registration of a well-known trademark while the protection of a well-known trademark against unauthorized use on non-competing goods or services may be required without the presence of registration. It establishes where to seek evidence of such status but still leaves the question

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open as which sector of the public is relevant, how specific the relevant sector should be, to what factors are to be considered in the determination of when a mark qualifies as well known.¹²

1.3. WIPO Joint Recommendations concerning provisions on Protection of Well-known Marks

A great number of countries had no provisions concerning the protection of well-known trademarks in domestic law at the time the establishment of the TRIPS Agreement was discussed internationally, but, after the TRIPS Agreement went into effect, all member countries of WTO as well as the Paris Convention had an obligation to protect all well-known and famous trademark sufficiently.

Under these circumstances, WIPO prepared the above mentioned Joint Recommendation concerning provisions on the protection of well-known marks. It was adopted at the joint assemblies of the Paris Convention Union and WTO, and became effective for countries member to not only the Paris Convention but also the WTO Treaty.¹³

The Joint Recommendations provides guideline for determination of whether a mark is a well-known mark in a member state, of factors which shall not be required in determining, of which a mark shall be deemed to be in conflict with a well-known mark.

The Joint Recommendations makes all the criteria optional, so it adds little predictability for future well known trademark cases. It does, however, provide a ready reference for countries that have not yet clearly their law related with well known trademark protection.

Chapter 2 – Well-known trademarks protection under Japanese Law

In Japan, with respect to the protection of well-known trademarks, both Trademark Law and Unfair Competition Prevention Law have been enacted.

Trademark Law was revised many times from 1993 to date and is already considered to be completely compatible with the TRIPS Agreement. In addition, Unfair Competition Law was fully revised in 1994, and its full accommodation of TRIPS Agreement terms has also been completed.

According to a commentary edited by the Japanese Patent Office, the difference between trademark law and unfair competition law is:

“The user of a trade mark through continued use of a certain mark on a high number of goods obtains goodwill. This goodwill represents an economic value similar to material wealth. It is extremely common for completely identical goods to be sold at different prices due to different trademarks. Consequently manufacturers and traders attach great importance to the trademark used on their goods, and they go to great lengths to prevent sharp practice by competitors using marks confusingly similar in order to cause confusion. Legal provisions against such sharp practice of competitors can be found in the Unfair Competition Law and the Trademark Law. There is no difference between these two with respect to the maintenance of the trademark users’ commercial goodwill. The Trademark Law differs from the Unfair Competition Law only in one point, namely that it requires the administrative act of creating the trademark right.”¹⁴

2.1. Protection of well-known trademarks under the Trademark Law (JTL)

2.1.1. Prohibition of Registration of a mark identical or similar to well-known/famous trademarks of others

2.1.1.1. Article 4(1)(x)

“Section 4 (Unregistrable trademarks)

Notwithstanding the preceding section, a registration shall not be affected in any case of the following trademarks:

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- (x) trademarks which are well known among consumers as indicating the goods or services as being connected with another person's business, and trademarks similar thereto, and which are used in respect of such goods or services or similar goods or services;"

According to this article, The Patent Office must refuse an application for trademark registration if it is identical with or similar to a well-known trademark of another person used for the same or similar goods or services.

This article serves to reject a third party's unauthorized application of identical or similar trademark and invalidate its registration in case that designated goods or services are identical or similar to which the well-known trademark has been used by its true owner. The registration of well-known trademark is not required in this situation. This means well-known trademark is protected from others party's registration even though the trademark rights for it have not been established. If a trademark judged as similar to a registered well-known trademark of another person and used for goods or services identical with or similar to the designated goods or designated services of that registered well-known trademark falls under the provision of Article 4(1)(xi).

The question can be raised when applying this article is what the meaning of "well known among consumers" is. The Trademark Examination Standards ("in-house examination guidelines") effective in April 2007 set forth the following rules in section 3(8) with respect to this question as follows:

Trademarks well-known among consumers as referred to in item (x), paragraph (1), Article 4 of the JTL 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.

The scope of persons (consumers) or areas required to determine whether it is well-known or not depends on the characteristics of the goods in question and the status of their actual transactions. Generally speaking, in order for raw materials, semi-processed products, components, etc. to be determined as being

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well-known, it is sufficient if they are well-known to professional traders (primary consumers of such products), and in order for finished products relating to clothing, food or housing to be determined as being well-known, they must be well-known to end consumers as well. Meanwhile, in the case of products manufactured nationwide and distributed in wide-ranging areas (machines, electronic products, clothing...) they are required to be well-known in areas in at least several prefectures, but in the case of products manufactures solely in a certain area and distributed there and in surrounding areas (regional food products...), it is sufficient insofar as they are well-known in areas narrower than required for products manufactures nationwide.

In respect to trademarks pertaining to services, the scope required to be determined as being well-known depends on the actual status transactions, in view of the fact that services are not capable of being distributed in a way that goods are usually distributed.¹⁵

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.

A trademark to be cited for the application of the provision of this Article 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)).

To prove a trademark's being well known under the provision of this Article, the provisions of Items 3(1) and (2) of Chapter II (Article 3(2)) of the Guidelines are applicable by reference as follows:

(1) Judgment as to whether a trademark has come to gain its distinctiveness through use will be made, taking the following points into consideration. Specifically, the level of consumers' awareness, which will be estimated through a quantitative grasp of the use of a trademark, will be utilized to judge the

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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...)
- (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 need to be proved by a method using evidence, including:

- (i) Printed matter (newspaper clippings, magazines, catalogues, leaflets...)
carrying advertisements, public notices...
- (ii) Invoices, delivery slips, order slips, bills, receipts, account books, pamphlets...
- (iii) Photographs or something like that 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.

A combination of another person's unregistered trademark "well known

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among consumers” and characters or diagrams are, in principle, considered “similar” to the unregistered well-known trademark including those trademarks even if both parts are integrated to appear as a single mark or to possess interrelated meanings.¹⁶ 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, and then the unregistered trademark will be excluded.

In judging whether a foreign trademark is well known in Japan or not, it is necessary to take full consideration evidential documents demonstrating that the said trademark is well-known in that foreign country, that the goods on which the trademark is used are exported to other several countries or that services bearing the trademark are provided in several countries, if such documents are available.

Even though the usage record of a trademark is insufficient in Japan, the trademark can be determined as being well-known among Japanese consumers through news reports... in Japan (Tokyo High Court’s judgment of February 26, 1992 on case No.29 (Gyo-ke) of 1991, Intellectual Property Case Digest (“CHIZAI SHU”) Vol.24-1, page 182).

In the case of a trademark protected by defensive trademark registration system or trademark that has been determined as being well-known among consumers by a trial decision or a court ruling, it is presumed and acknowledged that the said trademark has become a trademark well-known among consumers under Article 4(i)(x) through the said registration, decision or ruling. These trademarks have been published on JPO’s website.

However, since the well-known trademarks accumulated in the list are just some examples, an examiner can acknowledge or quote any other trademark in his/her capacity when applying the Article 4(i)(x) and a trademark holder at the same time can demonstrate that his/her trademark is well-known and seek application of the said provision. In the case that trademark examiners use cited trademark other than that included in well-known trademark list, they must collect sufficient evidences to support their opinions.

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The scope of protection relating to well-known trademark when applying Article 4(i)(x) is similar to that provided in Article 6bis of the Paris Convention.

As the above-mention, it can be shown out some main points in applying Article 4(i)(x) as follows:

- Unregistered well-known trademark can be protected from other party's registration.
- Trademarks well-known among consumers include not only marks well-known among end consumers but also marks well-known within a certain specific areas and in the relevant sector of the public.
- The criteria to determine the scope of being well-known among consumers has been set forth
- Other than using JPO well-known trademark list published on JPO-s website, trademark examiners can use any other trademark in his/her capacity as cited trademark provided that they can prove their opinions.

2.1.1.2. Article 4(1)(xv)

The Article 4(i)(xv) provides the scope of protection for well-known trademark broader than those in Article 4(i)(x). The ambit of goods or services extends to dissimilar goods and services. It seems that this provision is similar to the substance of Article 16(3) of the TRIPS. It is said that this provision is applicable to famous trademarks and highly renowned (highly well-known) trademarks, regardless of whether or not they are registered in Japan. The purpose of this provision is not to register or protect trademark for which there is a risk of mutual confusion even in the case of trademark used for dissimilar goods or services.

“Section 4 (Unregistrable trademarks)

Notwithstanding the preceding section, a registration shall not be affected in any case of the following trademarks:

(xv) trademarks which are likely to cause confusion with goods or services connected with another person's business (other than the trademarks mentioned in items (x) to (xiv)”

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Article 4(i)(xv), according to Examination guidelines,¹⁷ 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. This article adopts the confusion theory in a broad sense.

The following are examples of conceivable cases:

(1) Business operator A uses trademark M for product G pertaining to his/her own business and this trademark M is well-known nationwide. If business operator B uses trademark M for product X pertaining to his/her own business (even though product X is not similar to product G and their manufacturers, distributors, trading channels, raw materials, intended purposes... are not relevant to each other), consumers of product X are confused about its origin and may mistakenly believe that product X pertains to a business of business operator A's subsidiary or affiliate (in other words, consumers may consider product X to originate from a subsidiary or affiliate that does not really exist), even though consumers do not mistake business operator A as the origin of product X.

The above case (1) also applies to services with the word "goods" and "their manufacturer, distributors, trading channels, raw materials, intended purpose..." altered to read "services" and "their providers, manners of provision, intended purposes, goods relating to their provision..."

(2) Business operator A uses trademark X for services pertaining to his/her own business and this trademark X is well-known nationwide. If business operator B uses trademark X for the goods pertaining to his/her own business (not similar to the services pertaining to business operator A's business), consumers of such goods are confused about the origin and may mistakenly believe that the goods pertain to business A's business.

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

Confusion referred to in Art.4(1)(xv) of JTL is not confusing trademark A to trademark B, but misrecognising and confusing goods connected to party A with those connected to party B in relation to trademarks, and misrecognising that there is a commercial, economic, and organizational linkage between party A and B due to similarity of trademarks used by each of them, even if they are recognized to be separated companies. The confusion in this situation should be interpreted in broad sense.

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...);
- (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.

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*.

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.

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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.

Examples of trademarks which may cause confusion:

- “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)

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.

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.

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 4(1)(xv), in principle.

There is a special case relating to 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.

Judgment of whether the trademark is famous or not apply mutatis mutandis those mentioned in item 1.1.1.

It can be used the reasons made by Tokyo High Court in “L’AIR DU TEMPS Case”¹⁸ to give a conclusion about Article 4(1)(xv):

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“The trademarks which are liable to cause confusion with goods and services connected with another person’s business” under Art 4(1)(xv) include not only the trademarks which are liable to cause confusion with goods connected with another person’s through use of the filed trademark (“strict meaning of confusion”) but also includes the trademarks which are liable to cause confusion with goods connected with parental or controlled companies or affiliate companies (“broader meaning of confusion”).

The purpose of this provision is to protect business credibility of the trademark user and the interests of the consumers by preventing a free ride on well known or renowned indications, preventing dilution of the indication, and protecting the trademark’s function of distinctiveness. For this purpose, it is necessary to exclude trademark registration which is liable to cause a broad meaning of confusion in order to protect the interests of trademark users of well known or renowned goods, considering the change of industry or market environment such as the progress of diversification of business, formation of unified company group in the business process of commercialization by using the same indications, renowned branding...

In order to find the fact of “liability to cause confusion” under Art.4(1)(xv), we should look for the extent of similarity between the trademark and another’s indication, the extent of being well known and being creative, the extent of relationship between designated goods and goods connected with another person’s business, common ground of dealers and consumers or other current specific situations, and judge in a comprehensive manner based on the standard of power of attention used between dealers and consumers of the designated goods.

The distinction is apparent from the difference between Article 4(1)(x) and Article 4(1)(xv). The previous one protects well-known trademark from confusion as to source by preventing the registration of a trademark which is similar to the well-known trademark of another person where both trademarks used for the identical or similar designated goods or services. The latter one, on the other hand, prevents trademarks which cause confusion in relation to another

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person's goods or services from being registered. Unlike the content provided under Article 4(1)(x), there is no requirement in Article 4(1)(xv) that the goods or services be similar. Well-known trademark will thus be further protected under this section from dilution.

As the above-mention, it can be shown out some main points in applying Article 4(i)(xv) as follows:

- Trademarks are excluded from registration under this article should be identical or substantive similar to well-known trademark;
- Trademarks is protected under this article should be well-known throughout Japan, in other words, be famous;
- The goods or services designated in filed trademarks and those pertaining to a business or another person whose trademark has become famous are dissimilar;
- It must be shown the confusion in broad sense in applying this provision.

2.1.1.3. Article 4(1)(xix)

Nowadays with the advance of the technology regarding the aspect of globalization would be hard rigid to limit any recognized trademark to a group of consumers in certain territory without observing the potential presence in unproven markets, taking into account the commercial efforts of the company and the quality of the products or services identified with the well-known sign. The matter is to extent the protection of the well-known in prospective markets where the public acknowledgment of consumers allows leading the trademark to a well position in market.¹⁹

Due to business efforts that have been accumulated and a considerable amount of advertising expenses that have been spent for many years, a trademark has become widely known and has acquired high fame, trust and reputation among consumers. The reputation of well-known trademark can be extended to the markets where the goods or services pertained that trademark have not existed yet through the mass of media. In fact, trademark owners can not apply for registration all over the world therefore the risk of being prior

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registered by unauthorized party is possible.

The use of such well-known and famous trademarks by a third party is not likely to cause confusion over the source of goods... but it may dilute source indicating function and damage the fame which the well-known and famous trademarks have. Therefore, it is necessary to sufficiently protect these trademarks from undue use having such purposes.

From this standpoint, Article 4(i)(xix) of JTL was introduced in the revision of 1996 is a new ground for unregistrability in order to prevent trademarks that are well-known in Japan or abroad from being used for intention to gain the unfair profits or to cause damage to the owner of the well-known trademark or other unfair intention.

“Section 4 (Unregistrable trademarks)

Notwithstanding the preceding section, a registration shall not be affected in any case of the following trademarks:

(xix) trademarks which are well-known among consumers in Japan or abroad as indicating the goods or services as being connected with another person's business, and trademarks identical with or similar thereto, and which are used by the applicant for unfair intention (meaning any intention to gain an unfair profit, intention to cause damage to such another person and other unfair intentions – hereinafter referred to as “unfair intention”) (other than the trademarks mentioned in each of the preceding items) in respect of such goods or services.”

Trademarks presented below, according to Trademark Examination Standards, fall under the provision of this article:

(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 at high price, prevent a foreign right holder from entering into domestic market or force him/her to conclude an distributorship agreement;

(b) A trademark identical with or similar to a trademark well known throughout Japan, for which an application is filed for the purpose of diluting the

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distinctiveness of the well-known trademark to indicate the source of goods or impair the reputation... of the trademark owner, even though such registration is not so much as likely to cause confusion about the origin.

It should be noted that trademarks “well known among consumers” as mentioned in this item not only mean trademarks widely known to final users but include trademarks widely recognized among traders; trademark “well known among consumers ... abroad” as mentioned in this item need to be well known in the country it originates from but not necessarily need to be well known in multiple countries outside that country or in Japan.

In determining an “unfair purposes”, the following materials are taken with full consideration by examiners, 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 has a distinguishing feature in its structure;

(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...)

(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...)

(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...

(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.

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.

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

It can be supposed the existence of unfair purposes in the preceding situation based on the standpoint: it cannot be considered that the trademark being filed has been coincidentally adopted and used. In this case, therefore, the applicant for the trademark being filed is presumed to have unfair purposes and the burden of proof is shifted to the applicant if he/she insists that he/she has no unfair purposes.

Judgment of whether the trademark is well known or not apply *mutatis mutandis* item 1.1.1.

As the above-mention, it can be shown out some main points in applying Article 4(i)(xix) as follows:

- Trademarks are excluded from registration under this item should be identical or extremely similar to well-known trademark;
- In order to be protected under this item the well-known trademark should be consisted of a coined word or remarkable features in its constitution;
- In order to be protected under this item the Japanese trademark must be well-known nation-wide or extremely well-known region-wide and the foreigner trademarks that are only well-known in one foreign country is sufficient.
- The unfair intention in this case is required.
- The confusion about the origin of goods or services is not required.

The provision of Article 4-1-19 in particular is newly introduced at the time of the 1996 revision of Japanese Trademark Law. It is considered to be the most progressive provision in this field throughout the world with respect to decreasing troublesome requirements and conditions for the true owners of such well-known and famous trademark rights. In other words, even in cases where there is little awareness in Japan, of such trademark that has actually been recognized as well-known and famous trademarks in several overseas countries, the said provision serves to protect these trademarks as well. This provision is

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extremely effective in cases of piracy of well-known of famous trademark overseas and in cases when the Patent Office and other authority do not have the information regarding the existence of such kind of well-known or famous trademark owned by foreign trademark owner.

2.1.1.4. Article 4(i)(xi)

The trademark right in Japan is established based on registration therefore the trademarks that are similar to or identical with registered well-known trademark which is used for identical or similar goods or services will fall under Articles 4(i)(xi).

To determine whether or not a trademark is similar to an existing registered trademark, the elements of each trademark such as its appearance, pronunciation and concept must be taken into consideration in a comprehensive manner.

If two trademark are indistinguishable in appearance, pronunciation or concept and the use of each for identical or similar goods or services is likely to cause confusion about the origin, these two trademarks are determined as being similar to each other.

To determine whether two trademarks are similar or not, an approach call “remote observation” is mainly used. This approach observes the trademarks at different times and places. In addition, an approach called comprehensive observation is also used, which is a method to judge similarity in light of the appearance, pronunciation and concept observed over the total structure of each trademark. When necessary, an approach called major element observation or separate observation is used, to observe the appearance, pronunciation and concept of the part of each trademark that can independently distinguish one’s own products from others. Some trademark may have two or more major elements.

Whether two trademarks are similar to each other or not is determined by experimental rule, based on the normal attention or ordinary consumers of the designated goods or services. To acknowledge appearance, pronunciation or

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concept, the actual status of general or constant transactions of the designated goods or services is also taken into consideration.

These above-mentioned rules also apply to determining the similarity between a trademark in question and the well-known trademark under Article 4(i)(x), 4(i)(xv), 4(i)(xix).

2.1.2. Expansion of Protection of well-known trademarks

2.1.2.1. Article 64

Under the JTL, the effects of a trademark right are limited only to the scope of its designated goods and services, or to similar goods and services. The use of an identical trademark by another person with respect to goods or services not similar to the designated goods or services or the registered trademark, therefore, does not constitute an infringement. Article 4(i)(xv), (xix) can be used to block a trademark which is identical with or similar to a well-known/famous trademark, used for dissimilar goods or services, from registration but it cannot prevent them from being used for noncompetitive goods or services. When a trademark in question is famous, however, its use by another person has the potential to cause confusion over the source of goods or services. If the use of a famous trademark by another person is allowed simply because it does not constitute an infringement, this may damage the business reputation of the trademark holder who has built up through great effort. Thus, the defensive mark registration system was established to allow for the registration of goods or services that are likely to cause confusion over the source of goods or services even though they are not similar to the designated services, so as to protect the use of the trademark by the holder of the trademark right. The Japanese Unfair Competition Prevention Law (Unfair Competition Law) also contains provisions protecting well-known/famous trademarks but in fact it is not easy for one to rely on Unfair Competition Law in trademark infringement cases.

The purpose of a defensive trademark registration is to protect a well-known/famous mark beyond the limited scope of an exclusive right established by ordinary trademark registration to use the mark for the designated goods or services.

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Based on traditional trademark principle, the owner of a registered trademark has the right to prevent others from using an identical or similar trademark in relation to goods or services which are identical with or similar to those for which the trademark is registered. The defensive trademark system gives greater protection to well-known/famous trademark because it allows the owner of a registered well-known/famous trademark to obtain a defensive mark registration of a mark identical to his registered trademark where a third party's use of the registered trademark for goods or services which are different from the designated goods or services will cause the possibility of confusion between the goods or services of the third party and the designated goods or services pertaining to the trademark owner's business.

It should be noted that the likelihood of confusion must exist in relation to goods or services which are dissimilar to those for which the trademark is registered. In this way, the concept of "likelihood of confusion" is broadly interpreted. Moreover, as stated in Examination Guidelines, "a registered trademark pertaining to goods is well-known among consumers" stipulated in this Article means "reaching a state of 'famous'."

Once a trademark become well-known among consumers, the right owners may obtain the defensive trademark registration. This does not mean defensive trademark can be accepted for all class of goods or services, the registration shall only be granted for the goods or services for which the possibility of confusion exists. When examining an application for defensive mark registration, the degree to which the registered trademark which is the basis of examination is known and its relation with the relevant industrial sector are fully studied by examiners. The degree to which the trademark is known must be taken into consideration to arrive at a decision regarding the probability of confusion. When the original registered trademark is not yet widely known among the citizens of the country, but is widely acknowledge among the users of the relevant industrial sector, the goods or services which does not exceed the scope of the industrial sector to which the designated goods or service of the registered trademark belongs may be granted the registration of a defensive mark. If the

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original trademark is widely known among the citizens of a country, the goods or services which exceed the scope of the Industrial sector to which the designated goods or service of the registered trademark belongs may be granted the registration of a defensive mark.

Whether or not confusion with the designated goods or services in connection with his/her business is determined comprehensively by examining a relation between the designated goods or services of the registered trademark concerning an application of a defensive mark registration and the designated goods or services for an application of a defensive mark application, taking the following items into consideration:

- As for the relation with non-similar goods or services, whether or not it is generally recognized that such are from the same company in the light of manufacturer, distributor, dealership network, raw materials, use (provider, contents of the provision and those to be used for provision), or other matters; or
- Even in cases other than the preceding point, whether or not it is generally recognized that the source of the goods or services has a close relationship with the owner of the trademark right of the registered trademark concerning the application for a defensive mark registration.

In order to be registered as a defensive trademark, these requirements must be satisfied:

- a registered trademark already exists
- a registered has become well known among consumers as indicating the designated goods or services connected with his business
- the two trademark are identical
- there's existence of likelihood of confusion
- the applicant is the current trademark owner

The defensive trademark registration system is uncommon in the world. There are few countries maintaining this system, for example Japan, Australia. There is an increasing tendency of abolishing defensive mark registration system,

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for example, Taiwan and New Zealand and making the shift to the Western type protection system of famous trademarks (protection against dilution)²⁰.

Advantage of defensive trademark registration: under the current Japanese law, this system provides the only means of legally asserting the famousness of trademarks. It can serve as an effective means by which a right can be exercised as a famous/well-known trademark for ten years. Especially, recently, the expansion of conflicts pertaining to trademarks in foreign countries has been pointed out, and a defensive mark is effective material for make the famousness known in a lawsuit abroad or when administrative action is taken. In addition, once it is registered, there is no obligation to use it, so a third party's application or use of an identical shall be blocked or prohibited as far as the trademark is in conflict and the goods or services are also in conflict with the goods or services covered by the defensive registration.

Problems of defensive mark registration system: looking at the defensive mark registration system in Japan from the perspective of protecting famous trademarks, the following problems are listed: the scope of effects of a defensive mark is limited to marks identical with the registered trademark and does not extend to similar marks, meaning that the system is not convenient; the costs required to obtain and manage multiple defensive marks is also a problem for trademark owner. In addition, it is thus pointed out that only prohibiting the use of an identical mark is insufficient to prohibit acts that are likely to cause confusion. Further problem is that under the defensive mark registration system, what is protected by a trademark is business credibility of a person who uses said trademark, which is per se formed in a fluid and dynamic manner, thus the assumption that famousness and well-knowingness do not vary for the duration of ten years will make a system rigid.²¹

However, trademark similar to registered defensive marks or having their parts identical with or similar to registered defensive marks and used for the designated goods or designated services of the registered defensive marks or trademarks identical with registered defensive marks or having their parts identical with or similar to registered defensive marks and used for goods or

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services similar to the designated goods or designated services of the registered defensive marks falls under the provision of Article 4(1)(xv).

2.1.2.2. Article 32

According to Article 32 (Prior Use): a person who has used, since prior to the application of other person's mark, a mark which is identical or similar to the other person's mark to goods or services which are identical or similar to those of the other person's mark with no intention of unfair competition, and which has become well-known, is entitled to continuously use the mark.

Article 32 of the JTL provides the right to use trademarks based on prior use. It is considered that this provision primarily aims to secure the right of users of unregistered well-known trademarks to continue to use them in case the relevant trademarks are unanticipated registered.²²

This article serves to protect the goodwill. The use of unregistered well-known trademark without competitiveness shall not be deemed as act of infringement. Although under the JTL, trademark right is obtained based on registration, but there is exception for well-known trademark in the case prior to filing date of other person's mark, a well-known trademark had been used with no intention of unfair completion and become well-known among consumers. This exception does not bring the trademark right to well-known trademark owners but their usage is legally accepted.

Application for registration of an unregistered well-known trademark is normally refused in examination under Article 4.1.10. However, there is a certain possibility of such registration being granted, resulting in exclusive use right of the applicant and deprivation of others' use right. Those deprived use right have the option of filing a trial of invalidation of the registration, but it may happen that the specified qualification period for trial request expires and they become permanently disqualified from seeking a remedy through this option. The provision of Article 32 is intended to secure a prior user's right and relieve prior users of the burden of requesting an invalidation trial.

2.2. Protection of well-known trademarks under the Law for the Repression of Unfair Competition (Unfair Competition Law)

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In addition to the provisions stipulated in JTL, well-known trademark can at the same time be protected under the Law for the Repression of Unfair Competition. In current Unfair Competition Law, Articles 2(1)(i) and 2(1)(ii) are extremely effective in protecting well-known/famous trademarks.

Normally, in order to enjoy protection of a trademark, only after a trademark owner has registered a trademark under trademark law, can action be taken against infringement and claims for an injunction, compensation, damages, and/or other relief be filed. Further action for criminal measures against infringement on a registered trademark right under trademark law may also be taken, except for when the registered right to a trademark does not exist, it is not possible or almost impossible to rely on trademark law. However, the owner of an unregistered well-known trademark may rely on Unfair Competition Law. Double protection is of course possible for all registered trademarks once they are well-known or famous. However, trademark law would be the most suitable basis for a claim once it has become clear that a trademark has been infringed because of the similarity of the mark and similarity of the goods or services concerned. Lodging a claim under Unfair Competition Law when the plaintiff could also resort to trademark law only makes sense in the case of products or services which are not similar.²³

However, The Unfair Competition Law is meant not to protect the well-known indications as an absolute right, it can only be meant to protect the well-known indications against unfair use, and cannot be extent to acts of proper use. Under Japanese Unfair Competition Prevention Law if the well-known trademark hasn't been registered as trademark or defensive trademark, at least the owner of the widely known indications can be protected to seek the lawful relief from it. This law does play more important role on the protection of intellectual property rights. Furthermore, it is noted that the owner of the registered trademark or defensive trademark can take action against the unauthorized third person before the Court under the Trademark Law, this lawsuit belongs to the infringement suit, and the owner of trademark can be easier to use the infringement proceedings to reach his objective.

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2.2.1. Article 2(1)(i)

Acts causing confusion under Article 2 (1) (i))

“(1) the act of using an indication of goods, etc. which is identical with or similar to another person’s indication of goods, etc. (meaning the indication of goods or business such as a name, trade name, mark, and goods container or package related to a person’s business; hereinafter the same) which is widely recognized among users, or act of transferring, delivering, displaying for the purpose of transfer or delivery, exporting, importing goods on which such indication of goods, etc. is used, and thereby causing one’s goods or business to be confounded with another person’s”

This item is intended to restrict acts causing confusion between one’s own goods or business with another person’s goods or business.

According to legal interpretation “well-known among consumers” is intended to clarify the meaning of “well-known in the area of enforcement of this law” (requirement of the quality of being well known) taking into account the aim of the accumulated judicial precedents as well.

Whether an indication is “well-known” or not is determined overall by taking into account the type of goods or service, the actual state of transaction, practice... It is understood that the quality of being well known here is not required to be “nationwide,” which is a requirement in the case of famous indication in item 2, and that the quality of being well known in a region is sufficient here. In terms of time, a judgment is made according to the life cycle of the goods concerned. Even in a short period of time, it is possible for certain goods to acquire the quality of being well known if they are sold through powerful publicity activities. Material determining the quality of being well known includes quantity of sale, publicity methods, treatment in newspapers and trade papers... “Consumers” means other parties in transactions and includes not only end consumers but also persons involved in each stage. This understanding is similar with that applied under Article 4(1)(x) of JTL. “Using” means utilization of goods or other indication in a manner that may cause widespread confusion.

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This provision prohibits acts creating confusion between the plaintiff's and another's merchandise or business facilities by using the same or a similar "indication". The plaintiff can only invoke the respective provision of the Unfair Competition Law if his "indication" is "widely-known among consumers", a qualification that imposes an additional burden on the plaintiff, but the confusion has to be created by using the identical or similar "indication".

2.2.2. Article 2(1)(ii)

The act of "unfair competition" as used in this provision means any one of the following:

"(2) the act of using, as one's indication of goods, etc., an indication of goods, etc. which is identical with or similar to another person's famous indication of goods, etc., or act of transferring, delivering, displaying for the purpose of transfer or delivery, exporting, or importing goods on which such indication of goods... is used"

The significance of this item lies in the fact that it treats acts unjustifiably using another person's famous goods or other indications as acts of unfair competition without requirement of confusion. That is, although the existence of a competitive business relationship between the unjustifiable violator and the victim is presupposed in the concept of "confusion" in item (i), a competitive business relationship is not a requirement in the case of item (ii). This is because the number of cases where it is erroneously assumed a business relationship between famous goods and the unjustifiable violator, even if there is no competitive business relationship between them, has increased due to the trend of grouping or affiliating enterprises. And, even if no confusion is caused, the reputation or fame which an entrepreneur has built up over many years may be diluted by a free ride on the goodwill of a famous trademark. Under Article 2(1)(ii), confusion is not required for the protection but the indication must be "famous" trademarks. This provision attempts to provide reasonable protection for famous trademarks and this provision is also effective in preventing "free rides" and "dilution".

The difference between Article 2(1)(i) and 2(1)(ii) is that in the case that a

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locally famous trademark is recognized only in a small part of a region in Japan, protection under this provision may not be easily obtained. However, protection under Article 2(1)(i) can be obtained if confusion is proved in concrete terms by the plaintiff. An owner of a famous trademark attempting to receive protection based on Article 2(1)(ii) must submit the evidence showing that the trademark (or indication of goods or services) has been recognized as famous (well-known throughout country). In applying this provision, there is no need for the owner of a famous trademark to prove that confusion has occurred or such a risk exists, owing to the reason that the subject trademark must be famous in Japan. However, it is question in the cases in which trademarks are internationally well-known, but have obtained only limited recognition in Japan.

2.3. Recognition as well-known trademarks

2.3.1. Criteria for recognition as well-known trademark

The Paris Convention has made a significant change in acknowledging the importance of extending protection to well known marks, but fails to provide any guidance on how to determine the well-knownness²⁴. Article 16(2) of the TRIPS Agreement merely states “WTO members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the member concerned which has been obtained as a result of the promotion of the trademark.” However, it is also not clear what is meant by “relevant public”. Therefore, different countries apply different and even conflicting criteria in determining what constitutes a well-known mark. For this reason, WIPO continued extremely useful efforts through its Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications and obtained an outline of provisions for protecting well-known trademarks, in which the criteria for determining a well-known trademark are included. This document was adopted officially at Joint Assembly held from September 20 to 29, 1999. Accordingly, the criteria stipulated in the joint recommendation can be recognized as a guideline for all member countries of the Paris Convention and WIPO as well as all member countries of WTO. However, this guideline is optional; each country based on its own situations is

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free to stipulate the criteria in domestic law.

In Japanese law, there is no provision stipulating criteria for determining well-known/famous trademarks, although the Japanese Patent Office issued its own examination guideline many years ago which have been amended several times already. The Trademark Examination Guidelines and the Trademark Examination Manual are used as standards and reference for the examination of trademarks, including those involved in well-known trademarks. In addition to these two books, JPO publishes a summary of appeal/trial decisions on a monthly basis to keep examiners well-informed of the latest trend of their professional fields. This monthly publication may also be used as reference for examinations. The content with respect of criteria for determining well-known trademark provided in these two materials are almost the same as those stated in the WIPO Joint Recommendation and can be as follows:

- (1) the outcome of the questionnaire regarding consumers' awareness of the trademark;
- (2) the start, the length of trademark's use or the area where the trademark is used;
- (3) the volume of production, certification or delivery and a scale of business (number of stores, an area of business, an amount of sales...)
- (4) the method, frequency and content of advertising;
- (5) the degree of inherent or acquired distinctive of the mark;
- (6) the nature of the goods or services and the channels of trade for the goods or services with which the mark is used;
- (7) the nature and extent of use of the same or similar mark by third parties
- (8) the state of registration of the mark
- (9) the record of successful enforcement of right in the mark
- (10) the value associated with the mark

All of these factors are interdependent, in fact, whether or not a trademark is well-known should be judged comprehensively, which means that even if one

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of the factors is weak in a particular case; this can be compensated for by the strength of another of the factors.

It should be noted some points in applying these above factors in determining the well-knownness of trademark under Japanese system:

- Trademarks well known among consumers do not only mean trademarks widely known to final users but include trademarks widely recognized among traders;

- With respect to the geographical area, it is not always necessary that a trademark be well-known throughout the entire country, but it only need be proven that the trademark recognized as well-known in at least a part of the country. However, in the case of famous trademarks, a trademark must be very well-known throughout entire Japan, in principle.

- Trademarks well known among consumers abroad but not have been existed or registered in Japan may be protected under Japanese law. In this case, they need to be well known in the countries they originate from but not necessary need to be well known in multiple countries outside those countries. Moreover, the goods or services on which the foreign trademark is used must be exported or provided to/in several countries.

- It is naturally desirable that both fairly long-term use of the trademark and the presence of extensive publicity or the like are necessary. However, since there are cases in which the goods as well as the trademark may become popular and in demand in a short period of time the fact that the goods or services of a particular trademark will be sold only for a short time and possibly marketed through large scale publicity therefore this fact should be taken into account.

2.3.2. Evidence

In reality, there are many possibilities for preparing useful materials proving the trademark has been used for a long time and is commonly recognized as a popular sign. Every material which reveals the famousness of trademark can be used in determining whether a mark is well known or not. Some types of evidence have been included but not limited in Examination

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Guidelines as reference:

(i) Printed matter (newspaper clippings, magazines, catalogues, leaflets...) carrying advertisements, public notices...

(ii) Invoices, delivery slips, order slips, bills, receipts, account books, pamphlets, etc.

(iii) Photographs... 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, comprehensive consideration will be taken into account to the objectivity of the questionnaire with respect to the conductor, method, and respondents.

2.3.3. Ways to gain well-known trademark recognition

In most cases, protection of well-known trademark rests upon the finding or recognition of well-known status. Commonly referred to as a well-known trademark, that trademark can enjoy a broader and stronger scope of protection compared to an ordinary trademark. There are two routes to be acknowledged as well-known trademark in Japan. One route is to file an application as a defensive mark and obtain a defensive mark registration. The other route is recognized through court decisions and appeal/trial decisions. The marks authorized by these decisions are listed in the Well-Known Trademark section of the IPDL database. However, only registered well-known trademark has trademark right. If well-known trademark owner want to have a trademark right the only one way is to apply for registration.

2.4. List of well-known trademarks

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The Japan Patent Office has its official home page. Necessary information is suitably entered into this home page in both of Japanese and English and can be accessed via Internet from any place throughout the world.

Starting on October 1, 1998, a list of well-known and famous trademarks has been published through this Internet website in Industrial Property Digital Library (IPDL) named "Searching Japanese Well-known trademarks". At present, 994 well-known and famous trademarks in Japan have been listed up in both Japanese and English. "Searching Japanese Well-Known Trademarks" is updated every three months. Categories of rights accumulated as Well-Known Trademarks include trademarks which have been registered as defensive marks and trademarks which have been recognized as well-known trademarks in decisions on opposition, appeal/trial decisions or court decisions. The above Internet website can be accessed at the address: <http://www1.ipdl.inpit.go.jp>

Searching Japanese Well-Known Trademarks

[MENU](#)[NEWS](#)[HELP](#)[NOTICE](#)

If you use OR operation, please insert **SPACE** between keywords.

If you search figurative marks, **please mark the box of figure.**

Select search items	Query
Trademark search(1)+(2) <input type="button" value="v"/>	<input type="text"/>
AND	
Trademark(characters)(1) <input type="button" value="v"/>	<input type="text"/>
AND	
Trademark(transliteration)(2) <input type="button" value="v"/>	<input type="text"/>
AND	
<input type="checkbox"/> Figure	

<< All Documents List >>

If you want to see the list of all documents, please click on the "All Documents List" button.

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The well-known marks list is created for the purpose that the registered trademarks admitted as well-known marks through defensive trademark registration, by appeal/trial decisions or the well-known marks recognized by court rulings can be searched by concerning parties and served as reference for examiners and other competence authorities. The JPO does not conduct a survey investigating whether those trademarks had become less recognized or not. Therefore, the JPO does not determine to remove the less recognized marks from the list.

According to Trademark Examination Manual, along with well-known trademarks published in IPDL, the following materials shall be used in order to conduct examination concerning “trademark widely recognized by consumers) under Article 4.1(x, xi, xv, xix) of JTL: well-known trademarks list in Germany (prepared by the BDI), well-known trademarks list in France (prepared by the INPI), well-known trademark list in Italy (prepared by the INDICAM) and Famous Trademark list in Japan (prepared by the AIPPI Japan). The above-mentioned well-known foreign trademarks materials include information that has been offered by the respective country (the foreign government or a public entity corresponding to the foreign government) concerning trademarks that are well known in that country.

Even though the trademarks are listed on the above-mentioned materials, there are cases in which that trademark cannot be recognized as “trademark widely known by consumers”. The Trademark Examination Manual recommends that the above two lists be used as reference when examiners make judgments concerning foreign well-known trademarks. In some cases, these lists may be helpful for assuming which trademarks are well-known in specific foreign markets. However, they do not provide sufficiently good grounds to support the decision on whether or not a specific trademark should be determined to be a well-known trademark. To collect documents to support such decisions, examiners are expected to search a wide range of printed and online publications, such as newspapers, journals and dictionaries, to determine the actual use status of specific trademarks in the market. Therefore, there are cases in which

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trademarks included on the recommended lists may be refused if it is determined that the consumer recognition level of the trademarks is not high enough, and the relevant claims are not approved under Article 4(1)(x).

In Japan, there is a list of famous trademark other than those published in IDPL compiled by AIPPI Japan named “Famous Trademarks in Japan”. The third edition of this material was published in 2004. The trademarks included in this book are, in principle, trademarks owned by enterprises or individuals who have Japanese nationality that are registered with the Japan Patent Office (including pending applications), and are those for which the owners have requested inclusion of their trademarks in this edition in accordance with the guidelines for listing prepared by AIPPI JAPAN, by attaching documentary evidence, based on their own determination that their trademarks are in actual use in and outside Japan and have become publicly known among consumers and/or traders in the market as a result. The Trademark Selection Committee for Famous Trademarks in Japan, entrusted by AIPPI JAPAN, which consists of people of learning and experience as well as patent attorneys and representatives of related industries who have been recommended by intellectual property related bodies, have checked the appropriateness of those trademarks and objectively recognized the famous trademarks. The bases for determining inclusion of trademarks in this edition include presentation of such materials as product catalogs, a written company profile, and advertisements that prove that the trademark is in wide use, as well as such information as the sales results of the goods and/or services (domestic production output, sales amount, market share...), the sale period, scale of advertising in and outside Japan, export status, presence of oversea trademark registrations, presence of defensive marks, and trial decisions or court judgments recognizing that the trademark is well-known. With respect to the period of use of famous trademarks, the trademarks do not necessarily have to have gained recognition as well-known trademarks through long years of monopolistic use by the trademark owner; relatively new trademarks that have quickly become well-known by the recent rapid development of mass communication are also included. While the trademark

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must basically be “registered trademarks in Japan” in order to be listed in this edition, the trademarks contained in this edition place more emphasis on the form of use rather than the registered trademark itself, and many of them are presented in the form actually used.²⁵ However, the marks compiled therein for self-serving interests, its actual value is more than dubious. Not one foreign trademark can be found in this volume despite the fact that many foreign trademarks have been held recognized in Japan by the courts rather by the company itself. Further, the book gives the impression of objectivity, and as such is widely distributed among other Asian countries in order to prevent registration of the marks contained therein. Yet, actual recognition of these marks is more wishful thinking than anything else, and with the exception of very few marks has never been tested in court. Here again, methodology and purpose are not above suspicion²⁶.

Chapter 3 – Well-known trademarks protection under Vietnamese Law

3.1. Definition

The “well-known trademark” term was initially stipulated under Vietnamese Law in February 01, 2001 in the amendment of Decree No. 63/CP dated 24.10.1996 of the Government providing detailed regulations on industrial property in order to guide the implementation of regulations on protection of IP rights in Chapter II, Part VI of the Civil Code (1995); “a well-known mark” is any mark which has become widely known by being continuously used for reputable goods or services”²⁷. Before this time, the term “well-known trademark” never ever been existed in the law yet. According to legal interpretation, industrial property rights for the well-known trademark generated on the basis of the decision to recognize of NOIP. The scope of protection of a well-known trademark is broader than that of ordinary trademark. As a general rule, trademarks are only protected against use or registration in respect of goods or services which are identical with or similar to those for which they are registered or used. This principle originated from the objective of trademark protection that is to prevent consumers from deception or confusion as to the origin of the goods or services. Therefore, if the goods or services are completely different, it will be highly unlikely that consumers will be confused about the source of another. However, with regard to well-known trademarks, as a result of long and extensive use, it can create and increase goodwill for the business owning the said trademark in respect to the goods or services. Once goodwill has been established, a positive image clearly remains in the memory of consumers, and the merchandise or services represented by that specific trademark, among any number of competitive options, are likely to be selected or desired again. This reputation brings a power of attraction, in other words, an advertising power, in the trademark itself, independent of the products they affix to. This value of well-known trademarks exposes them to unfair impairment and exploitation beyond the scope of their utilization for identical and similar products. The broader degree of protection is accepted to well-known marks on non-competing goods or services. However, at that time, due to lack of criteria

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for determination the reputation as well as lack of procedures in recognizing of well-known trademark, none of trademark had been recognized as well-known by National Office of Intellectual Property of Vietnam (NOIP) decision.

In 2005, with the stipulation of the Intellectual Property Law (IP Law), the term “well-known trademark” was defined again. According to Article 4.20 of IP Law, *well known mark* means a mark widely known by consumers throughout the territory of Vietnam”.²⁸ This term was defined on the basis of extent of geographic areas in which the trademark has been identified. Based on the wording of this term, in order to be recognized as well-known, trademark must be widely known by consumers throughout the country. This is a very difficult standard to overcome for trademark owners who want their trademarks to be acknowledged as well-known. This also seems go far from the requirement stated in Article 16(2) of TRIPs Agreement which requires “in determining whether a trademark is well-known, members shall take account of the knowledge of the trademark in the relevant sector of the public”. Is the mark to be well-known among the public at large or only to the trade circle in which the relevant goods or services circulate? The probable interpretation is that it must be shown that the target audience – the relevant trade circle or the relevant class of consumer for which the particular goods or services are destined – has knowledge of the mark. In other words, the specific sector of the public within which the particular goods or services are purchased or used, or where the mark is exposed through advertising, should become the focus of the actual question. The focus will very much depend on the type of goods or the nature of the services involved. The segment of clients for highly technical equipment such as component for airplanes may be appreciably more limited than the relevant sector of purchasers for daily goods such as soap or clothing.

Furthermore, the well-known trademark definition and the criteria for evaluation of whether or not a mark is well known listed in Article 75 are inconsistent. This problem will be discussed in detail later. In practice, this definition does not make any sense in assessment of well-knownness of trademark. Trademarks which satisfy the criteria set in Article 75 will be

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considered as well-known regardless how much degree of recognition they have throughout the country. In otherwise, Vietnam is member of Paris Convention and World Trade Organization, hence, Vietnam is obligated to stipulate in domestic law the provisions which comply with the Paris Convention and the TRIPs Agreement. Vietnam expressly declares in Article 5.3 of IP Law that where the provisions of the international treaties to which Vietnam is a party contravene the provisions of Vietnam IP Law, the former shall prevail. In this circumstance, the requirement of being recognized throughout the territory of Vietnam can be got over by invoking the Article 16(2) or TRIPs Agreement.

Once protected, a well-known trademark enjoys greater protection than an ordinary trademark. Unlike an ordinary one, it is not restricted to a fixed registration period or to protection in relation only to goods or services in relation to which it has been registered.

In reality, it is normal that a mark may have a high degree of recognition or use in one area but a lesser degree of recognition or use in a number of areas across the country. In other words, the mark may enjoy local or regional fame and well-known status but not be recognized throughout the whole country. That is the reason why TRIPs Agreement requires the recognition of relevant sectors of consumers is sufficient to be well known.

3.2. Prohibition of registration of a mark identical or similar to well-known/famous trademarks of others

In conformity with the international requirements with respect to well-known trademark protection set by Paris Convention and TRIPs Agreement, the prohibition of registration of a mark which is in conflict with well-known trademark has been stipulated in IP Law.

According to Article 74(2)(i) of IP Law:

“Distinctiveness of the mark:

2.A mark shall be deemed to be indistinctive if it is a sign falling into one of the following categories:

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(i) Signs identical with or confusingly similar to another person's mark recognized as a well known mark which has been registered for goods or services which are identical with or similar to those bearing such well known mark, or for dissimilar goods or services if the use of such mark may affect the distinctiveness of the well known mark or the mark registration was aimed at taking advantage of the reputation of the well known mark.”

This article contains two different parts.

The former part provides the same prohibition as that applies for registered ordinary trademark. That means a mark which is identical with or confusingly similar to another person's well-known mark which has been registered for identical or similar goods or identical or similar services affixed by well-known mark will be considered as non-distinctive, hence, will be refused from registration. The ambit of protection in this part is to prevent consumers from confusion over source of goods or services as traditional principle. For a well-known trademark under IP Law, trademark right shall be established on the basis of use process, not subject to any registration procedures, thus, the separately provision for well-known trademark was created differently from that used for registered trademark.

The latter part provides the protection beyond the ambit of confusion to the goods or services which are not identical with or similar to those covered by well-known trademark. As a general rule, trademark is only protected against use or registration in respect of goods or services which are identical or similar to those for which they are registered or used. This principle derived from the objective of protection of public against deception or confusion as to the source of goods or services. It is highly unlikely that consumers will be confused about the origin of products if the goods are completely different. However, with regard to well-known trademark, the issue is totally different. As a result of widely and continuously use as well as others factors such as quality of product or service, frequency advertising... the trademark becomes more familiar with the public. The reputation brings a power of attraction in the trademark itself,

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independent of the products or services they have been affixed. This value of well-known trademark leads them to be likely to be impaired or exploited beyond the use for identical or similar products or services in bad faith. This requires a broader degree of protection provided to well-known marks on non-competing goods or services, to which their commercial magnetism amounts to an exception to the principle of specialty.²⁹ In reply to this demand, TRIPs Agreement has established a wider rule of special protection granted to well-known trademarks. The confusion is not required as long as the use of an identical or similar mark on a completely different goods or services would indicate a connection with the owner of the well-known trademark and as long as the uniqueness of well-known trademark would be damaged.

The expansion of well-known trademark protection to dissimilar goods or dissimilar services under the latter part of Article 74(2)(i) of IP Law happens in two situations: the mark for which the registration is sought will be refused if:

- It is identical with or confusingly similar to the well-known trademark used for dissimilar goods or services, and
- The use of that mark may lessen the distinctiveness of the well known trademark or the mark registration was aimed at taking advantage of the reputation of the well known mark.

The contain of the latter part of Article 74(2)(i) with respect to the impairment of the uniqueness of well-known trademark is something resembling a dilution case in which the capacity of a famous mark to identify and distinguish goods or services is weaken regardless of the presence or absence of competition between the owner of the famous mark and other parties, or likelihood of confusion, mistake, or deception.

It should be noted that Article 16(3) of TRIPs is only applicable to registered well-known trademarks and thus excludes unregistered ones from the extended protection.³⁰ However, trademark right granted to well-known trademark under IP Law can be automatically established based on its usage regardless it is registered or not, therefore, the latter part of Article 74(2)(i) can be acknowledged as fall under Article 16(3) of TRIPs Agreement.

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Since it is very difficult to work in practice with the broad definition of confusing similarity, some rules have been developed which help to define in specific cases whether, in view of the similarity of the two marks, confusion is likely to arise.

In applying the Article 74(2)(i) of IP law, to determine whether or not a trademark is similar to a well-known trademark, the elements of each trademark such as its appearance, pronunciation, concept as well as commercial impression (impression for consumers in the course of trade) must be taken into consideration in a comprehensive manner to determine if there is an apprehension that the two could be confused by a customer. The criteria in judging the similarity resemble those applies for ordinary trademark. However, it is said in Trademark Guidelines³¹ which has been issued recently that in case of judging the similarity of a well-known trademark it should be noted that:

- Well-known trademarks are often highly distinctive and have wide range of impression therefore the similarity between a sign and a well-known trademark must be taken in to account stricter than that of ordinary trademarks because it is more likely to cause confusion for consumers;

- A sign similar to the well-known trademark may not be protected for both products /services which are not similar to those bearing the well-known mark.

All of the following situations are possible to cause confusion for consumers:

- Identical signs used for identical goods/services
- Identical signs used for similar goods/services
- Similar signs used for identical goods/services
- Similar signs used for similar goods/service

However, if the cited trademark is well-known trademark, it is liable to cause confusion even though the goods or services affixed to the mark in question are definitely different provided that consumers may think it comes from the same source or has relationship with those of well-known trademark.

For example:

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HONDA is recognized as well-known trademark for cars, motorbikes among consumers. When some ones other than its owner use this trademark for confectionery, the consumers may think the two kinds of products belong to the same owner or the two owners have close relationship.

In the Circular No.1 for guiding the Decree No.103, the sign which is subject of registration application shall be regarded as unregistrable if:

“39.10 Conclusion of the confusing similarity of the sign in the relation with the cited mark

(iv) The sign is identical with or similar to the cited mark being a well-known trademark and even though goods and services bearing that mark is neither identical nor similar to the well-known trademark, the use of that sign functioning as a trademark may mislead the consumers about the relationship between the goods and services bearing that sign and the well-known trademark owner which induces the actual likelihood of diluting the distinctiveness of the well-known trademark or being detrimental to the reputation of the well-known trademark.”

In the light of the relevant statutory provisions, it may be concluded that the protection of well-known trademarks in Vietnam not only fulfills the obligations under Article 6bis of the Paris Convention and Article 16(2) and 16(3) of the TRIPS Agreement, but goes beyond their limited scope. In reality, the question is how to implement these advance provisions effectively.

3.3. Protection of well-known trademark against unfair competition

The content of provision of act of unfair competition in IP Law can be regarded as additional mode to protect well-known trademark.

Article 130 reads as follows:

“Acts of unfair competition:³²

1. The following acts shall be deemed to be acts of unfair competition:

- (a) Using commercial indications to cause confusion as to business entities, business activities or commercial origin of goods or services;

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- (b) Using commercial indications to cause confusion as to the origin, production method, utilities, quality, quantity or other characteristics of goods or services; or as to the conditions for provision of goods or services;
- (c) Using marks protected in a country which is a contracting party to a treaty of which the Socialist Republic of Vietnam is a member and under which representatives or agents of owners of such marks are prohibited from using such marks, if users are representatives or agents of the mark owners and such use is neither consented to by the mark owners nor justified;
- (d) Registering or possessing the right to use or using domain names identical with, or confusingly similar to, protected trade names or marks of others, or geographical indications without having the right to use, for the purpose of possessing such domain name, benefiting from or prejudicing the reputation and popularity of the respective mark, trade name or geographical indication.

2. Commercial indications stipulated in clause 1 of this article mean signs and information serving as guidelines to trading of goods or services including marks, trade names, business symbols, business slogans, geographical indications, designs of packages and/or labels of goods.

3. Acts of using commercial indications stipulated in clause 1 of this article include acts of affixing such commercial indications on goods, goods packages, means of service provision, business transaction documents or advertising means; and selling, advertising for sale, stocking for sale and importing goods affixed with such commercial indications.”

This article protects all kind of trademarks including well-known trademark. Traditionally, the trademark provision uses “registration” as a procedural means of granting the trademark owner a fixed "monopoly right" to a trademark, and protecting his/her private interests. Unfair competition provision, in contrast, does not protect in the same way as does the trademark provision but rather, by directly prohibiting acts of unfair competition. This

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encompasses the protection of well known indications ("indications" includes trademarks), which are one of many targets of unfair competition.

In order to be recognized as an act of unfair competition, it is required that the use of commercial indications cause the confusion or the registration or possession of the right to use or the use of domain names are aimed to take unfair advantage or reputation and popularity of the respective trademark.

It should be noted that most of the cases listed in this article required confusion. This means it does not cover the typical case of dilution in which although there is no existence of confusion but the illegal use of suspected commercial indications would make the well-known trademark lose its capacity to signify a source.

The nature of the legal acts of unfair competition is any act contrary to the standards of honesty and a healthy trade relationship, causing damage mainly to business as competitors on relevant market. Therefore, in unfair competition cases, the key thing is to prove the competition between the parties. This is different from those applies under trademark provisions which requires the infringement of trademark right regardless the existence of competition.

Generally, unfair competition provision is invoked as "life-buoy" in case of unregistered trademarks which is infringed. However, under the IP Law, regarding well known trademark, industrial property rights shall be established on the basis of use and shall not be dependent on registration procedures, thus, trademark provision is sufficient to protect well-known trademark.

In practice, up to now, it is very rare the case that the unfair competition provision is used to solve the infringement. Only in the case which the trademark owner failed to rely on the trademark provision to protect his/her right, the unfair competition would be invoked.

3.4. Act of infringement of well-known trademark rights

Industrial property right over well-known trademark is established on the basis of widely use without any registration procedures. Thus, the acts which are

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deemed as act of infringement of trademark right in general would be also regarded as infringe well-known trademark rights.

Where a well-known trademark is allegedly being infringed, the owners must submit the evidence to prove their ownership as well as to prove that their trademarks satisfy the conditions for being considered as well-known.

Act of infringement stipulated in Article 129 of IP Law regarding to well-known trademark reads as follows:

- “1. The following acts, if performed without the permission of mark owners, shall be deemed to be infringements of the right to a mark:
- (d) Using signs identical with, or similar to, well known marks, or signs in the form of translations or transcriptions of well known marks for any goods or services, including those not identical with, dissimilar or unrelated to goods or services on the lists of those bearing well known marks, if such use is likely to cause confusion as to the origin of the goods or services or misleading impressions as to the relationship between users of such signs and well known mark owners.”

According to the above-mention paragraph, using a sign may cause act of infringement if

- A sign is identical with or similar to well known mark or in the form of translations or transcriptions of well-known marks and
- Such use is liable to create confusion of goods or services or misleading impressions as to the relationship between users of such sign and well-known trademark owners.

In order to determine whether a suspected sign is an infringing element of a well-known mark, it is required to compare such sign to the mark. The comparison between goods or services is not much important because the scope of protection of well-known trademark is not limited to identical or similar goods/services but extended to dissimilar one.

An infringing element can only be confirmed if the following two conditions are fully met:³³

- The suspected sign is identical or confusingly similar to the trademark

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Where a sign is regarded as identical to a protected mark if it has the same composition and method of presentation (including the colors); a sign is regarded as confusingly similar to a protected mark if it has several features identical or similar to those of the protected mark to such an extent that it is not easy to distinguish between them in terms of composition, the way of pronunciation, the way of phonetic transcription of signs, letters, meaning, the method of presentation and colors, thereby causing confusion to consumers in selecting goods or services bearing the mark;

- Goods or services bearing the suspected sign that is identical or similar in substance to, have a relationship in terms of functions and utility with, and have the same distribution channel with, the protected goods or services or goods or services are not identical, similar or related to the goods or services bearing the well-known mark but are capable of misleading customers as to the origin of services or goods or create wrong impressions about the relationship between the producer or trader of such goods or services and the owner of the well-known mark.

The protection from infringement for well-known trademark is similar to those for ordinary trademark. That means it protect consumer from confusion. Moreover, well-known trademark right is extended to protect fairness trade environment. The acts other than that cause confusion also constitute infringement if it misinform about the source of goods or services or associate the well-known trademark owner and others who in fact have no relationship.

This article seems compatible with the requirements set forth by Article 6bis of Paris Convention and Article 16(2), (3) of Trips Agreement.

However, this article does not cover the dilution cases in which the consumers do not be confused about the source of goods or services or be misled about the relationship between suspected trademark owners and well-known trademark holders but the uniqueness of well-known trademark is weaken because while a consumer may not believe that Kodak bicycles are made by the same company that produces Kodak camera equipment, but the use of the Kodak

trademark arguably decreases the ability of the Kodak mark to create a connection between it and the camera company for the consuming public³⁴.

3.5. Recognition as well-known trademark

3.5.1. Criteria for determining as well-known trademark

In IP Law 2005, the criteria for determining well-known trademark were first stipulated in legal document. Although the protection of well-known trademark was admitted since 2001 on the basis of registration through the recognition decision of NOIP, but, in practice, none of well-known trademarks had been granted by this way. One of the main reasons of this situation is lack of statutory standards for recognizing well-known trademark. In reply the need to fulfill the requirements as the member of WTO, a lot of Vietnamese Law had been modified or established and IP Law 2005 is one of them.

These criteria were built on the basis reference to the WIPO Joint Recommendations concerning provisions on Protection of Well-known marks and experience of other countries in the world.

Article 75 of IP Law provides the following relevant factors to be considered in determining whether a mark is well-known:³⁵

“To be considered well-known as a well-known mark, the following criteria shall be taken into account:

1. The number of involved consumers who have been aware of the mark through purchase or use of goods or services bearing the mark or through advertising;
2. Territorial area in which goods or services bearing the mark are circulated;
3. Turnover of the sale of goods or provision of services bearing the mark or the quantity of goods sold or services provided;
4. Duration of continuous use of the mark;
5. Wide reputation of goods or services bearing the mark;
6. Number of countries protecting the mark;
7. Number of countries recognizing the mark as a well-known mark;

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8. Assignment price, licensing price, or investment capital contribution value of the mark.

As stated before, there is a contrary direction between well-known trademark protection in Article 4(20) and the first criterion indicated in Article 75 related to the number of consumers involved in trademark. “Well-known trademark” was defined in Article 4(20) requires the reputation over consumers throughout the territory of Vietnam but this requirement does not appear in any items of Article 75. However, in practices, rarely has well-known trademark received the acknowledgement of consumers nation-wide. Therefore, the requirement set forth in Article 4(20) seems be ignored in determining well-known trademark. Moreover, the consumers in this manner is not strictly limited to end-consumers of goods or services to which the mark applies, but included the persons involved in channels of distribution of, or business circles for goods or services to which the mark applies. The expression “consumers” is to be understood in the wide sense of the term, and covers all part of the consuming public. The business circles are in general constituted by importers, wholesalers, licensees or franchisees interested and prepared to deal in the goods or services to which the mark applies. As stated in Article 16(3) of TRIPs Agreement, the words of this article can be read as it is sufficient that the mark is well known in at least one relevant sector of the public, and it is not permitted to require that the mark be well known by the public at large. This approach is considered to be fair, because goods or services are usually directed only to certain sectors of public, in accordance with their diversified tastes, interests, income, or creational activities, to name a few criteria. This means that only those who are interested in the goods may have reasons to know about the mark. And the cases in Vietnam are not an exception. In so many cases related to well-known trademark, the reputation within relevant sectors is sufficient to be proved the well-known-ness. With respect to the degree of recognition in the country of protection, as refer in list of criteria, the number of involved consumers is taken in consideration.

Apart from the criterion related to the number of consumers who is aware of well-known trademark, the territory where the trademark has been used is also

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considered. In line with the definition of well-known mark in IP Law, it raises the question whether well-known trademark that is widely recognized by consumers outside the territory of Vietnam that is not used in Vietnam is protected as well-known trademark. It is undoubted that none of factors stated in Article 75 expressly requires that the well-known mark must be used in Vietnam. It should be noted that one of many purposes of the protection of well-known trademark is to protect the public from confusion, thus actual use or non-use a well-known foreign trademark in country where it claims for protection of is not decisive. In some countries, it is indeed rational not to require use of a well known trademark in the country of protection, because nowadays physical locality is no longer considered one of the most important factors for establishing goodwill in a country, since consumers are more interested in the quality of the goods, symbolized by internationally well known or famous marks, rather than the actual presence of the goods or services themselves. Furthermore, consumers in many cases know about a trademark through spill-over advertisements in international publications or media, and thus local use is not determinative in establishing the knowledge of consumers with regard to the trademark.

In practices, more than one foreign trademark which has not yet been used or registered in Vietnam has been protected although this principle cannot be found in any statutory document. In 1992, NOIP denied the application for registration of trademark "McDonald's" of an Australian company for fast food, food providing services and other classes. At that time, NOIP had sufficient information to confirm "McDonald's" is famous trademark in the world for fast food and food supplier under McDonald's Corporation (United States) even though this company has not registered and used this mark in Vietnam and the act of Australian company in this situation deemed as taking unfair advantage of "McDonald's" reputation. It can be presumed that McDonald's fame reaches Vietnamese consumers through travelers, mass of media such as internet, newspaper... Thus the registration of Australian company for trademark would make consumers confuse about the origin of service or mislead about the relationship between the two companies. The application of Australian company

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was refused on the basis of well-known trademark protection. In 1993, "Pizza Hut" had been granted for OPHIX GROUP (Australia Company). After that, The Pizza Hut International Company lodged its invalidation, arguing the "Pizza Hut" mark be registered under its own name, as it had been in many other countries even though it had not been used in Vietnam. They also provided the evidence to prove trademark's reputation in the world. Based on trademark owner's materials, NOIP decided to invalidate the trademark registration granted to Australia Company.³⁶

Others criteria stipulated in Article 75 is similar to those of WIPO Joint Recommendations and others countries criteria. In general, all of these factors are interdependent, in fact, whether or not a trademark is well-known should be judged comprehensively on the case-by-case basis, which means that even if one of the factors is weak in a particular case; this can be compensated for by the strength of another of the factors.

3.5.2. Evidences

Because the industrial property right over well-known trademark is established based on the usage without registration procedure so in order to enjoy a protection as well-known trademark, trademark owners must show the evidence to demonstrate their ownership and trademark's celebrity.

Many types of evidence have been specified in provision 42(3) of Circular No.1/2007 TT BKHCN of February 14, 2007³⁷ evidencing the ownership and reputation of a mark as follows:

- Materials on the scope, scale, level and continuity of the use of the mark, including an explanation of origin, history and time of continuous use of the mark;
- Material showing the number of nations in which the mark has been registered or recognized as a well-known mark;
- List of goods and services bearing the mark;
- Materials showing the territorial area in which the mark is circulated;

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- Materials showing the turnover from products sold or services provided;
- Materials showing the quantity of goods and services bearing the mark manufactured or sold;
- Materials showing the property value of the mark such as price of assignment or licensing of the mark and value of investment capital contributed in the form of the mark;
- Materials showing the amount of investment and expenses for advertising and marketing of the mark, including those for participation in national and international exhibitions;
- Materials showing the success in infringements, disputes and decisions or rulings of the court or competent agencies;
- Surveyed number of consumers knowing the mark through sale, purchase, use, advertisement and marketing;
- Rating and evaluation of reputation of the mark by national or international organizations or the mass media;
- Prizes and medals awarded on the mark;
- Results of examinations held by intellectual property examination organizations...

Other than above-mentioned evidences, trademark owners are free to submit anything to support their demand in recognition of well-known trademark.

3.5.3. Ways to gain well-known trademark recognition

No specific article or provision related to the ways to obtain well-known trademark recognition can be found in any statutory document. According to Decree No.103/2006/ND-CP of September 22, 2006, it is stated the base and procedure for establishment of industrial property right as follows:

“2. Industrial property rights to well-known marks are established on the basis of widespread use of those marks according to the provisions of Article 75

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of the Law on Intellectual Property, not requiring the completion of registration procedures.”³⁸

and in provision 42(4) of Circular No.1/2007 TT BKHCN of February 14, 2007, two routes of acknowledgement of well-known-ness has been pointed:

“If a well-known mark is recognized according to civil procedures or under a recognition decision of the NOIP, that well-known mark shall be recorded in the list of well-known marks kept at the NOIP.”³⁹

There seems a disagreement between the two above-mentioned provisions. The registration of well-known trademark is not necessary in one but the well-known-ness is recognized through NOIP’s decision in other.

Whether a court or an administrative body has the power to recognize a well-known trademark for the purpose of enforcing the trademark rights? Whether the NOIP has the authority to recognize a well-known trademark for the purpose of ensuring its proper decision on granting or refusing a trademark registration? These questions are laid open in the IP Law.⁴⁰ Up to now, there is no type of decision has been rendered by the NOIP or the court.

In practice, the recognition of well-known trademark has been made case-by-case indirectly. NOIP has issued a series of decision to refuse the registration of signs which are identical or confusingly similar to well-known trademark under Article 74(2)(i) of IP Law. In these cases, it deems that the well-known status of trademark has been indirectly admitted by the NOIP decision on related trademarks.

Nevertheless, in Decree No.105/2006/ND-CP of September 22, 2006, it is required that if the well-known trademark owners want to enforce their right in infringement cases, they should submit the evidence proving their trademarks’ well-known-ness. The problem will happen if an enforcement authority is not capable of recognizing a trademark as well-known, in this case, they certainly needs to have an expert opinion with respect to the well-known status of trademark in question given by competent authority. The Decree No.105 does not specify which agency shall have the authority to issue that kind of decision, either at the request of the trademark owner or upon the requirement of the

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enforcement authority. The NOIP is no longer existent as an agency of industrial property right assessment for the purpose of enforcement. Instead, Vietnam Intellectual Property Research Institute (VIPRI) is appointed to function as the industrial property right assessment service providers at the request of the enforcement authorities and the parties to the industrial property right infringement cases. However, the Decree No.105 does not state clearly the legal validity of the conclusion on a well-known trademark made by VIPRI in respect of the trademark registration proceedings conducted at the National Office of Intellectual Property. This decision is not also stated in provision 42(4) of Circular No.1/2007 TT BKHCN. For that reason, the NOIP may accept or reject the binding effect of the conclusion of well-known trademark issued by VIPRI. Similarly, the enforcement authorities, including the administrative authorities and the courts, may use the conclusion of VIPRI as a source of evidence to identify whether the trademark in the case is admitted as well-known or not. However, VIPRI's decision is not a well-known trademark recognition decision.

In fact, the need of acknowledgement of well-known trademark takes part in all stages of trademark protection from establishing intellectual property right, examining the registrability of trademark to taking trademark enforcement actions therefore many competent authorities get in touch in this action such as intellectual property inspectorate, economic police, custom authority, market management authority... However, the capacity in judging the well-known-ness status of trademark is not sufficient among competence authorities. Apart from the NOIP, which is responsible for establishment of industrial property rights as well as cooperation with other competence authorizes to take measures to protect legitimate rights; other entities appear unready to be in the position of making a decision on recognition of well-known trademark due to the limitations of the professional expertise⁴¹. This fact raises suspicions about the efficacy of well-known trademark protection. The question is that how the enforcement authorities can accept or refuse the evidence of a well-known trademark provided by the trademark owner.

Similarly, in which way the trademark owner may prove his rights derived from the assumed well-known trademark.

3.6. List of well-known trademark

The list of well-known trademark was first mentioned in provision 42(4) of Circular No.1/2007 TT BKHCHN of February 14, 2007 guiding the implementation of the Government's Decree No.103/2006/ND-CP of September 22, 2006, detailing and guiding the implementation of a number of articles of The Law on Intellectual Property regarding industrial property right.

“If a well-known mark is recognized according to civil procedures or under a recognition decision of the NOIP, that well-known mark shall be recorded in the list of well-known marks kept at the NOIP.”⁴²

Although, the existence of well-known trademark list has been stipulated in above statutory document but up to now there is unavailable List of recognized well-known trademarks in the NOIP. One of reason is lack of necessary mechanism to compile this list. That is perceived as an inherent difficulty for the trademark examiners in the course of performance of their duties in examining the well-known trademark related application, for other related competence authorities in protection of well-known trademark and for trademark owners in evidencing their legitimate right in dispute. Thus, compiling well-known trademark list is vital step in the effort of protection well-known trademark.

Generally, countries do not make a list of their well-known trademarks which resolved in each case in the process of granting a trademark registration or trial in a court dispute. Some countries like Japan, China, Indonesia, France⁴³ was established well-known trademark list, but this list is not an absolute materials to solve issues on whether a trademark is well-known or not, in common cases, it is used as a reference material for competence authorities or serve the purpose of trade or exchange information with other countries.

Other than official well-known trademark list which has not existed yet, there are some types of well-known trademark list accumulated by other agencies

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such as list of 33 famous trademarks in the year of 2008 published by Market research firm Nielsen coordinate with the U.S. Chamber of Commerce and Industry of Vietnam (VCCI), list of top 20 well-known trademarks in Vietnam published every year since 2006 by the cooperation of Vietnam Union of Science and Technology Association, Vietnam Chamber of Commerce and Industry, the NOIP... However, the presence in these lists is not deemed as this trademark is recognized as well-known in order to be protected under well-known trademark regime. These are only used as evidence of rating and evaluation of reputation of the mark by the mass media or social agency...

Chapter 4: Comparison between the laws and practices regarding well-known trademark protection in Vietnam and Japan

1. Purpose of trademark law

Vietnam: no specific article

Japan: Art.1 of JTL: through the protection of trademarks, to ensure the maintenance of business reputation of persons who use trademarks and thereby to contribute to the development of industry and to protect the interests of consumers.

Although there is no such thing as purpose in Vietnamese IP Law, it is stated in Art.8 about the policies of the State on intellectual property that: “To recognize and protect intellectual property rights of organizations and individuals on the basis of harmonizing the interests of intellectual property right holders and the public interest; not to protect intellectual property objects which are contrary to social ethics and public order or which harm national defense and security.” It can be said that the interests of trademark owners, consumers and the society are subject of protection of the IP Law provided that it must ensure the harmony of interests of all related factors.

2. Definition of well-known trademark

Vietnam: Art. 4(20) of IP Law: “*Well known mark* means a mark widely known by consumers throughout the territory of Vietnam.”

Japan: no article

According to the definition of Vietnamese IP Law, the well-known mark must be known by consumers all over the country. The requirement of awareness of consumers reaches to the top. This seems impossible because hardly a trademark would fulfill this requirement. Moreover, this is contrary to those stipulated in Article 16(3) of TRIPs Agreement in which the knowledge of the trademark in the relevant sector of the public is sufficient to be recognized as well-known. Notwithstanding this article, it is stated in Article 5(3) of IP Law that where the provisions of international treaties to which Vietnam is a party contravene the provisions of Vietnam IP Law, the former shall prevail.

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Therefore, in practice, this definition often is ignored when competence authorities handle the case related to well-known trademark. It is essential for Vietnam to amend this definition to be compatible with the regulations stipulated in international treaty.

Like many countries in the world, there is no specific definition of well-known trademark in the JTL. The well-known-ness of trademark is assessed case-by-case. In reality, the concept of well-known trademark which is used in statutory documents and academic studies is similar with that commonly used all over the world.

3. Establishment of well-known trademark rights

Vietnam: Art.6 of IP Law: “Grounds for the generation and establishment of intellectual property rights

3. Industrial property rights shall be established as follows:

(a)... In the case of a well known mark, industrial property rights shall be established on the basis of use and shall not be dependent on registration procedures;”

Art.6(2) of Decree 103/2006/ND-CP: “Industrial property rights to well-known marks are established on the basis of widespread use of those marks according to the provisions of Article 75 of the Law on Intellectual Property, not requiring the completion of registration procedures.”

Japan: Art.18 of JTL: “Registration of establishment of trademark right

(1) A trademark right shall arise upon registration of establishment of such right.

(2) Where the registration fee under Article 40(1) or the registration fee due and payable within thirty days from the date of service of a transcript of an examiner’s decision or a hearing decision to the effect that a trademark is to be registered under Article 41-2(1) is paid, the establishment of the trademark right shall be registered.”

There is absolute different regarding the acquisition of trademark right over well-known trademark in two countries. In Vietnam, well-known trademark

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right is automatically established without registration procedure. The well-known trademark owners have all rights as those of ordinary registered trademark regardless it is registered or not. However in implementing well-known trademark right, the right owner must be successful in proving the well-known-ness.

For the JTL the ownership of the well-known trademark is acquired only through registration. Unregistered well-known trademark does not have trademark right.

4. Definition of use

Vietnam: Art.124(5) of IP Law:

“*Use of a mark* means the performance of the following acts:

- (a) Affixing the protected mark on goods, goods packages, business facilities, means of service provision or transaction documents in business activities;
- (b) Circulating, offering, advertising for sale or stocking for sale goods bearing the protected mark;
- (c) Importing goods or services bearing the protected mark.”

Japan: Art.2(3) of JTL

“Use” with respect to a mark as used in this Act shall mean any of the following acts:

- (i) to affix a mark to goods or packages of goods;
- (ii) to assign, deliver, display for the purpose of assignment or delivery, import or provide through an electric telecommunication line, goods or packages of goods to which a mark is affixed;
- (iii) in the course of the provision of services, to affix a mark to articles to be used by a person who receives the said services (including articles to be assigned or loaned, hereinafter the same);
- (iv) in the course of the provision of services, to provide the said services by using articles to which a mark is affixed which is to be used by a person who receives the said services;

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- (v) for the purpose of providing services, to display articles to be used in providing the services (including articles to be used by a person who receives the services in the course of the provision of services, hereinafter the same) to which a mark is affixed;
- (vi) in the course of the provision of services, to affix a mark to articles relating to the provision of the said services belonging to a person who receives the services;
- (vii) in the course of the provision of services through an image viewer, by using an electromagnetic method (an electromagnetic method shall refer to any electronic, magnetic or any other method that is not recognizable by people's perception, the same in the following item), to provide the said services by displaying a mark on the image viewer; or
- (viii) to display or distribute advertisement materials, price lists or transaction documents relating to goods or services to which a mark is affixed, or to provide information on such content, to which a mark is affixed by an electromagnetic method.

The content covered in definition of trademark use looks similar in two systems. The JTL provides more concretely the acts which will be deemed as using trademark. However, the general provisions stipulated in IP Law will let the competence authorities freedom and facility to include new type of used in accordance with market and media development.

5. Protection of well-known trademark from others' parties registration

Vietnam: Art.74(2)(i) of IP Law

“2. A mark shall be deemed to be indistinctive if it is a sign falling into one of the following categories:

- (i) Signs identical with or confusingly similar to another person's mark recognized as a well known mark which has been registered for goods or services which are identical with or similar to those bearing such well known mark, or for dissimilar goods or services if the use of such mark may affect the distinctiveness of the well known mark or the mark

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registration was aimed at taking advantage of the reputation of the well known mark.”

Japan: Article 4(1)(x), 4(1)(xv), 4(1)(xix), 4(1)(xi) of JTL: Unregistrable trademark: notwithstanding Article 3, trademark registration shall not be effected in the case of the following trademarks:

Art.4(1)(x): is well known among consumers as that indicating goods or services in connection with another person’s business or a trademark similar thereto, if such a trademark is used in connection with such goods or services or goods or services similar thereto;

Art.4(1)(xv): is likely to cause confusion in connection with the goods or services relating to a business of another person (except those listed in items (x) to (xiv) inclusive);

Art.4(1)(xix): is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services relating 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, hereinafter the same) (except those provided for in each of the preceding items);

Art4(1)(xi): is identical with, or similar to, another person’s registered trademark applied for prior to the filing date of the trademark application concerned and which is used on the identical or similar goods or services covered by the trademark registration.

Well-known trademarks in Vietnam are protected within the scope of protection provided to ordinary trademark (unwell-known trademark) that means it is prevented from confusion over the origin of products and services. Moreover, the ambit of protection of well-known trademark is expanded to the dissimilar goods or services if the other parties’ trademark registration may affect the distinctiveness of well-known trademark or is intended to misappropriate the celebrity of well-known trademark. Although it is clearly stated in definition that the well-known trademark must be known by consumers

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throughout the country, but in reality, the awareness of relevant sector of public (which is combined with others factors) is adequate to determining a trademark is well-known. The well-known foreign trademark which has not been used in Vietnam may enjoy the protection if the NOIP have enough information to conclude that the registration of signs identical to or similar with that well-known trademark will lessen the uniqueness of well-known trademark or is supposed as bad intention. The assessment of the well-known-ness of trademark will be based on the written materials submitted by related parties to the NOIP or knowledge of person in charge. The official legal interpretation with regard to well-known trademark such as which act will be deemed as for the purpose of taking advantage of the reputation of the well-known mark or weakening the distinctiveness of the well-known trademark is not available in any statutory document. The judgment is made case-by-case.

In Japan the trademark right is established upon registration, thus, unregistered well-known trademark has not trademark right. In respect of the status of well-known trademarks in Japan, according to Yamada⁴⁴ the Article 4(1)(x) is intended to protect well-known unregistered trademarks of other persons. The scope of protection of this article is similar to that provided in Article 6^{bis} of the Paris Convention. In Japanese trademark Guidelines, the phrase “trademark which is well known among consumers” is well defined. This phrase 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. In respect of foreign unregistered trademarks, the Guidelines clearly states that “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”

The provision of Article 4(1)(xv) is meant to protect well-known and

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famous trademarks over a broader scope of goods and services, including dissimilar ones. It seems that this provision is similar to the substance of Article 16(3) of the TRIPS Agreement. It is said that this provision is applicable to famous trademarks and highly renowned trademarks, regardless of whether they are registered or not in Japan. The requirement in applying this article is the existence of confusion over the source of goods or services.

The provision of Article 4(1)(xix) was introduced at the time of the 1996 amendment of the JTL and is considered to be extremely effective in cases of piracy of well-known and famous trademarks recognized in countries other than Japan⁴⁵. However, when applying this provision, it is necessary to prove that the third party's application was filed in bad-faith. This provision does not require the (foreign) true owner of the trademark to prove that it has been used and well-recognized within the jurisdiction of Japan⁴⁶. This can be used to protect well-known trademark from free-ride in 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.

The Article 4(1)(xi) will be applied if the well-known trademark is already registered.

With regard to the protection of well-known trademark from others parties' registration, generally speaking, there is not much different between two countries. Both countries protect well-known trademark in relevant sector of business or industry, beyond the identical or similar goods or services to dissimilar one and accept protection for foreign well-known trademark that have not been used in the respective country. The difference is that in Vietnam both unregistered well-known trademark and registered well-known trademark have industrial property right but in Japan the trademark right is only for registered well-known trademark. In addition, the JTL stipulated more clearly and concretely the situations where the well-known trademark is prevented from others parties' registration. The JPO issues the Examination Guidelines for

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Trademarks and the Trademark Examination Manual to help the trademark examiners in their daily examination work. These two materials are used as standards and reference for the examination of trademarks, including those involved in well-known trademarks. In addition to these two books, the JPO also publishes a summary of appeal/trial decisions on a monthly basis to keep examiners well-informed of the latest trend of their professional fields. This monthly publication may also be used as reference for examinations.

In Vietnam, the Trademark Examination Guidelines has been issued recently but the content with regard to well-known trademark is not much mentioned. Trademark examiners should not find much direction in dealing with well-known trademark case in this material.

6. Protection well-known trademark against unfair competition acts

Vietnam: Article 130 of IP Law

“Acts of unfair competition:⁴⁷

1. The following acts shall be deemed to be acts of unfair competition:

- (a) Using commercial indications to cause confusion as to business entities, business activities or commercial origin of goods or services;
- (b) Using commercial indications to cause confusion as to the origin, production method, utilities, quality, quantity or other characteristics of goods or services; or as to the conditions for provision of goods or services;
- (c) Using marks protected in a country which is a contracting party to a treaty of which the Socialist Republic of Vietnam is a member and under which representatives or agents of owners of such marks are prohibited from using such marks, if users are representatives or agents of the mark owners and such use is neither consented to by the mark owners nor justified;
- (d) Registering or possessing the right to use or using domain names identical with, or confusingly similar to, protected trade names or marks of others, or geographical indications without having the right

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to use, for the purpose of possessing such domain name, benefiting from or prejudicing the reputation and popularity of the respective mark, trade name or geographical indication.

2. Commercial indications stipulated in clause 1 of this article mean signs and information serving as guidelines to trading of goods or services including marks, trade names, business symbols, business slogans, geographical indications, designs of packages and/or labels of goods.

3. Acts of using commercial indications stipulated in clause 1 of this article include acts of affixing such commercial indications on goods, goods packages, means of service provision, business transaction documents or advertising means; and selling, advertising for sale, stocking for sale and importing goods affixed with such commercial indications.”

Japan: Art.2(1)(i), 2(1)(ii) of Unfair Competition Law

“(1) acts of using the indications of goods, etc. (meaning any indication of a person’s name, trade name, trademark, mark, container or package of goods in connection with the person’s business or other indications of goods or business – hereinafter referred to “the indications of goods, etc.”) which are identical with or similar to those well-known among consumers as indications of goods, etc. of the other person, or acts of assigning, delivering, displaying for the purpose of assignment or delivery, or importing, exporting, or providing through electric telecommunication lines, the goods using the indication of goods, etc. and there by causing confusion with the goods or business of the other person;

(ii) acts of using the indications of goods, etc. identical with or similar to other person’s famous indications of goods, etc. as one’s own indications of goods, etc, or acts of assigning, delivering, displaying for the purpose of assignment or delivery, or importing, exporting, or providing through electric telecommunication lines, the goods on which the famous indications of goods, etc. have been applied;”

The provision of act of unfair competition can be regarded as additional mode to protect well-known trademark.

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In IP Law, all kinds of trademark including well-known trademark are protected from acts of unfair competition under this article. Most of the cases listed in this article required confusion. This means it is impossible to rely on this article in case of dilution in which the confusion is not required but the distinctiveness of well-known trademark may be lessened or the connection between two trademarks may be associated due to the use of similar or identical sign.⁴⁸

In Japan, the trademark right is established only through registration so for unregistered well-known trademark, the trademark owners may rely on the Unfair Competition Law to protect their legitimate right. The alleged act of unfair competition falls under the Article 2(1)(i) if this act cause confusion over the source of goods or services. The Article 2(1)(ii) does not require confusion but the well-known trademark must be famous. That means the requirement of reputation is higher than those are applied under Article 2(1)(i). The Article 2(1)(ii) is aimed to protect famous trademark from dilution caused by a free-ride on the goodwill.

The common feature between the two systems is well-known trademark owner can invoke unfair competition provision as additional measure to protect their mark. However, unfair competition law is especially important in Japan because it is a good way for unregistered well-known trademark to rely on. In Vietnam, industrial property rights over well-known trademark shall be established on the basis of use and shall not be dependent on registration procedures, thus, trademark provision is sufficient to protect well-known trademark from infringement.

7. Criteria for determining well-known trademark

Vietnam: Article 75 of IP Law provides the following relevant factors to be considered in determining whether a mark is well-known:⁴⁹

“To be considered well-known as a well-known mark, the following criteria shall be taken into account:

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1. The number of involved consumers who have been aware of the mark through purchase or use of goods or services bearing the mark or through advertising;
2. Territorial area in which goods or services bearing the mark are circulated;
3. Turnover of the sale of goods or provision of services bearing the mark or the quantity of goods sold or services provided;
4. Duration of continuous use of the mark;
5. Wide reputation of goods or services bearing the mark;
6. Number of countries protecting the mark;
7. Number of countries recognizing the mark as a well-known mark;
8. Assignment price, licensing price, or investment capital contribution value of the mark.

Japan: no provision in JTL

There is no provision stipulating criteria for determining well-known/famous trademarks in the laws, although the JPO issued its own Examination Guidelines many years ago which have been amended several times already. The content of criteria stated in some related parts of the Guidelines are almost the same as those stated in the WIPO Joint Recommendation. It can be listed as:

- (1) the outcome of the questionnaire regarding consumers' awareness of the trademark;
- (2) the start, the length of trademark's use or the area where the trademark is used;
- (3) the volume of production, certification or delivery and a scale of business (number of stores, an area of business, an amount of sales...)
- (4) the method, frequency and content of advertising;
- (5) the degree of inherent or acquired distinctive of the mark;
- (6) the nature of the goods or services and the channels of trade for the goods or services with which the mark is used;
- (7) the nature and extent of use of the same or similar mark by third

parties;

- (8) the state of registration of the mark
- (9) the record of successful enforcement of right in the mark;
- (10) the value associated with the mark;

In general, the criteria in determining the well-known trademark are similar in both systems. However, it is clearly stated in Japan Examination Guidelines that the awareness of end consumers is good to prove the well-known-ness but the awareness among traders is also sufficient and not only well-known nationwide trademark is accepted, but also well-known within a certain specific district. In practices, no distinct between two countries in applying these criteria is found.

8. Evidence

Vietnam: Article 42(3) of Circular No.1/2007-TT-BKHCN of February 14, 2007:

“42(3). Documents evidencing the ownership and reputation of a mark include information on the scope, scale, level and continuity of the use of the mark, including an explanation of origin, history and time of continuous use of the mark; number of nations in which the mark has been registered or recognized as a well-known mark; list of goods and services bearing the mark; the territorial area in which the mark is circulated, turnover from products sold or services provided; quantity of goods and services bearing the mark manufactured or sold; property value of the mark, price of assignment or licensing of the mark and value of investment capital contributed in the form of the mark; investment in and expenses for advertising and marketing of the mark, including those for participation in national and international exhibitions; infringements, disputes and decisions or rulings of the court or competent agencies; surveyed number of consumers knowing the mark through sale, purchase, use, advertisement and marketing; rating and evaluation of reputation of the mark by national or

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international organizations or the mass media; prizes and medals awarded on the mark; results of examinations held by intellectual property examination organizations.”

Japan: Part 6 of Trademark Examination Standards⁵⁰

Evidence that must be submitted by the applicant:

- (1) Trademark actually used; goods or services
- (2) Time for starting to use the trademark; period of time for its use, area(s) of use
- (3) Quantities of production, proof or transfer; business scale (number of shops, areas of business, sales, etc.)
- (4) Manner, frequency and contents of advertisement
- (5) Frequency and contents of articles published in general newspapers, trade papers, magazines, or the Internet, etc...
- (6) Results of a questionnaire survey on the level of awareness of the trademark among consumers

The facts above-mentioned are required to be demonstrated by the following evidential documents or material, for example:

- (i) Printed literature (newspapers, magazines, catalogues, leaflets, etc.) on which advertisements for the goods or services are posted
- (ii) Billing slips, delivery slips, order slips, invoices, vouchers, or commercial books
- (iii) Photograph showing that the trademark is actually being used
- (iv) Certificates issued by advertising firms, broadcasters, publishers, or printing firms
- (v) Certificates issued by competitors, business partners, consumers, and the like
- (vi) Certificates issued by public institutions, etc. (the national government, local governments, foreign embassies resident in Japan, chambers of commerce, etc.)
- (vii) Articles in general newspapers, trade papers, magazines, or the Internet, etc.

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- (viii) A report on the results of a questionnaire survey on the level of awareness of the trademark among consumers

However, if a questionnaire survey on the level of awareness of the trademark targeting consumers is used as evidence, the objectivity of the survey must be carefully checked in respect of who implemented the survey, how it was implemented, who responded to the survey, and other matters.

The evidence shall be used to prove the reputation of well-known trademark is similar in the two countries. It can be said that the evidence is preferable in common include: materials showing marketing activities (sales volume, monetary sales amount, etc.); the scale of business activity (company size, number of employees, number of stores, annual turnover etc.); the distribution of posters and advertisements through newspapers, magazines or television; a certificate showing the fact that a public recommendation is granted from a quality goods evaluation association or the like; a certificate provided by a public or governmental organization proving that the trademark has been recognized popular in its area of jurisdiction. However, the questionnaire survey on the level of awareness of the trademark among consumers is not often accepted in Vietnam because its reliability is a question.

9. Defensive trademark

Vietnam: no provision

Japan: Art.64 of IP Law

(1) Where a registered trademark relating to goods is well known among consumers as that indicting the designated goods in connection with the business of a trademark right holder, the trademark right holder may, where the use by another person of the registered trademark in connection with goods other than the designated goods relating to the registered trademark or goods similar thereto or in connection with services other than those similar to the designated goods is likely to cause confusion between said other person's goods or services and the

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designated goods relating to his own business, obtain a defensive mark registration for the mark identical with the registered trademark in connection with the goods or services for which the likelihood of confusion exists.

(2) Where a registered trademark relating to services is well known among consumers as that indicting the designated services in connection with a business of a trademark right holder, the trademark right holder may, where the use by another person of the registered trademark in connection with services other than the designated services relating to the registered trademark or services similar thereto or in connection with goods other than those similar to the designated services is likely to cause confusion between said other person's services or goods and the designated services relating to his own business, obtain a defensive mark registration for the mark identical with the registered trademark in connection with the services or goods for which a likelihood of confusion exists.

(3) For the purpose of the application of the preceding 2 paragraphs in relation to defensive mark registrations concerning a trademark right relating to a regionally based collective trademark, the term “his own” in the said paragraphs shall be deemed to be replaced with “its own or its members”.

There is no defensive marks system in IP Law because Article 74(2)(i) of IP Law is sufficient to protect well-known trademark from others parties' registration for dissimilar goods or services. Moreover the protection is not limited to the identical well-known mark but includes confusingly similar one. The use of identical or similar mark for identical, similar and even dissimilar designated goods or services all constitutes act of infringement.

The JTL established the defensive marks system to allow the registration of trademark used for goods or services that are likely to cause confusion over the source with a well-known trademark even though they are not similar to the designated goods or designated services. These defensive marks need not to be

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used and are not subject to cancellation for non-use. The purpose of a defensive mark registration system is to protect well-known/famous marks beyond the limited scope of an exclusive right established by ordinary trademark registration to use the mark for the designated goods or services that means expand the trademark right to cover dissimilar goods or services. The defensive trademark must be identical with a original registered trademark.

Once a trademark become well-known among consumers, the right owners may obtain the defensive trademark registration. However, the registration shall only be granted for the goods or services for which the possibility of confusion exists.

In order to be registered as a defensive trademark, these requirements must be satisfied:

- a registered trademark already exists
- a registered has become well known among consumers as indicating the designated goods or services connected with his business
- the two trademark are identical
- there's existence of likelihood of confusion
- the applicant is the current trademark owner

The defensive trademark registration system is uncommon in the world. There are few countries maintaining this system, for example Japan, Australia.

This system provides the only means of legally asserting the famousness of trademarks. It can serve as an effective means by which a right can be exercised as a famous/well-known trademark for ten years. In addition, once it is registered, there is no obligation to use it, so a third party's application or use of an identical shall be blocked or prohibited as far as the trademark is in conflict and the goods or services are also in conflict with the goods or services covered by the defensive registration. However, the defensive mark registration system also contains some inadequacies, for example, the scope of effects of a defensive mark is limited to marks identical with the registered trademark and does not extend to similar marks, meaning that the system is not convenient; the costs required to obtain and manage multiple defensive marks is also a problem for

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trademark owner (two times equal to fees stipulated for ordinary trademark). In addition, it is thus pointed out that only prohibiting the use of an identical mark is insufficient to prohibit acts that are likely to cause confusion. The most outstanding feature of defensive registration system is defensive registration is effective route for a trademark to be recognized as well-known.

10. Publication on the official gazette

Vietnam: Art.99, 110 of IP Law, Art.14(3) of Circular No.01

Art.110: “Publication of industrial property registration applications

1. Industrial property registration applications which have been accepted as being valid by the state management agency in charge of industrial property rights shall be published in the Official Gazette of Industrial Property according to the provisions of this Article.

...

3. ... a mark registration application ... shall be published within 2 months as from the date such application is accepted as being valid.”

Art.99: “Publication of decisions relating to protection titles

Decisions on grant, termination of validity, invalidation or amendment of protection titles for industrial property rights shall be published by the state management agency in charge of industrial property rights in the Official gazette of Industrial Property within 60 days as from the date of issuance.”

Circular No.01: Art.14(3) Contents of publication of applications

“Information related to valid applications, including divisional applications published in the Industrial Property Official Gazette, includes information related to valid applications’ formality as stated in notices on acceptance of valid applications, information related to valid applications (transfer of applications, division of applications, serial numbers of parent applications, etc.); invention abstracts accompanied with drawings (if any);”

Japan:

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Art.12bis (12-2): (1) Where an application for trademark registration is filed, the Commissioner of the Patent Office shall publish the application.

Art.75:(1) The Patent Office shall publish the Trademark Gazette

(2) In addition to the matters prescribed in this Act, the Trademark Gazette shall contain:

(i) examiner's decisions to the effect that an application is to be refused, or the waiver, withdrawal or dismissal of applications for trademark registration or applications for defensive mark registration after the publication of the application;

(ii) successions of right deriving from an application for trademark registration after the publication of the application;

(iii) amendments made to the designated goods or designated services stated in an application, to the trademark for which the registration is sought, or to the mark for which the defensive mark registration is sought after the publication of the application;

(iv) extinctions of trademark rights (except due to the expiration of the duration or under Article 41-2(4));

(v) filings of a petition for opposition to registration or for a hearing or a re-hearing, or withdrawal thereof; and

(vi) final and conclusive decisions on the opposition to registration, final and conclusive hearing decisions or the final and conclusive decision or hearing decision on rehearing.

(vii) final and conclusive judgments in actions under Article 63(1).

Although application for registration and decisions related to registration are published in both countries, the types of information which is opened to public in Japan are much more than those in Vietnam such as information with respect of defensive mark, petition for opposition to registration...

The big difference between the two systems is in Vietnam the purpose of publication of application is used as informative reference channel about whether or not grants the trademark titles. From the date of application's publication to the date prior to the final decision on grant or refusal of a protection title shall be

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rendered, any third parties have a right to submit an opposition with regard to the trademark in question. However, all information related to opposition proceeding is not published in Official Gazette.

11. Opposition

Vietnam: Art.112 of IP Law, Art.6 of Circular No.01

Art.112: “Third party’s opinions on the grant of protection titles

As from the date an Industrial property registration application is published in the Official Gazette of Industrial Property till prior to the date of issuance of a decision on grant of a protection titles, any third party shall have the right to express opinions to the concerned state management agency in charge of industrial property rights on the grant or refusal to grant a protection title in respect of such application. Such opinions must be made in writing and be accompanied by documents or must quote the source of information.”

Art.6 of Circular No.01:

6. “Handling of opinions of the third party before issuing decisions on the grant of protection titles

6.1. From the date an industrial property registration application is published in the Industrial Property Official Gazette to the date prior to the issuance of a decision on the grant of a protection title, any organization or individual may send to the NOIP its/his/her written opinions on the registration right, the right of priority, protection conditions and other issues related to the industrial property registration application according to the provisions of Article 112 of the Intellectual Property Law. Written opinions of the third party shall be regarded as an information source for reference in the course of processing an industrial property registration application.

6.2. Within one month after receiving written opinions of the third party, the NOIP shall notify such opinions to the applicant and set a time limit of one month from the date of notification for the applicant to give

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feedback in writing. After receiving the applicant's feedback, when necessary, the NOIP shall notify the feedback to the third party and set a time limit of one month from the date of notification for the third party to respond in writing to that feedback. The NOIP shall process opinions of applicants and third parties on the basis of proofs and arguments furnished by the parties and documents included in the applications.

6.3. When considering opinions of the third party groundless, the NOIP is not required to notify those opinions to the applicant but shall notify the third party of its refusal to consider the opinions, clearly stating the reason for refusal.

6.4. If opinions of the third party are related to the registration right, when finding it impossible to determine whether or not such opinions are grounded, the NOIP shall notify such to the third party so that the latter can file a petition with a court for handling. Within one month after the NOIP issues the notice, if the third party fails to notify the NOIP of the filing of a petition with a court for handling, the NOIP shall regard the third party as having withdrawn its opinions. If the NOIP is notified by the third party within the above time limit, it shall suspend the application processing until the results of dispute settlement by the court are obtained. After the results of dispute settlement by the court are obtained, the application processing shall be resumed in accordance with those results.

6.5. When necessary and upon the request of both parties, the NOIP shall organize face-to-face meetings between the third party and the applicant to further clarify the matter challenged by an opposition.

6.6. The time limit for the applicant to respond to the opposition of the third party shall not be counted into the time limit for the NOIP to carry out relevant procedures according to regulations.”

Japan: Chapter IV^{bis} of JTL

Art.43-2: Any person may file with the Commissioner of the Patent Office an opposition to a registration within two months from the date of publication of the Gazette containing the trademark, on the grounds that

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the trademark registration falls under any of the following sub-paragraphs. In such case, an opposition to a registration may be filed for each designated good or designated service if the relevant trademark has been registered in connection with two or more designated goods or designated services:

Art.43-3: (1) A hearing examination and decision on an opposition to a registration shall be conducted by a judicial panel consisting of three or five judicial examiners.

(2) Where the judicial examiners find the trademark registration relating to an opposition to registration falls under any of the sub-paragraphs of Art. 43-2, the judicial examiners shall render a decision to the effect that the trademark registration is to be revoked (hereinafter referred to as a “revocation decision”).

(3) Where the revocation decision becomes final and conclusive, the relevant trademark right shall be deemed never to have existed.

(4) Where the judicial examiners find the trademark registration relating to an opposition to registration does not fall under any of the sub-paragraphs of Art. 43-2, the judicial examiners shall render a decision to the effect that the trademark registration is to be maintained.

(5) The decision under the preceding paragraph shall not be subject to appeal.

Art.43-6: (1) The hearing examination of the opposition to registration shall be conducted by documentary examination. Notwithstanding the foregoing, where a petition is filed by the trademark right holder, the opponent, an intervenor or *ex officio*, the presiding judicial examiner may decide to conduct the hearing proceedings by oral examination.

Art. 43-10: (1) Where two or more oppositions to registration are filed in relation to the same trademark right, unless special circumstances exist, the hearing examinations thereof shall be conducted jointly.

(2) A hearing examination conducted jointly in accordance with the preceding paragraph may later be divided.

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Art. 43-11: (1) An opposition to registration, once filed, may not be withdrawn after the notification under Article 43-12 is served.

(2) Article 155(3) of the Patent Act as applied *mutatis mutandis* under Article 56(2) of this Act shall apply *mutatis mutandis* to the withdrawal of the opposition to registration.

Art.43-12: Where the presiding judicial examiner intends to render a decision of revocation, the presiding judicial examiner shall notify the trademark right holder and the intervenor of the reasons for revocation of the trademark registration and give the said parties an opportunity to present a written opinion, designating a reasonable time limit.

The system of opposition is quite different. Vietnam adopts the pre-grant system while Japan adopts the post-grant system. Moreover, the decision on the opposition is made by the examiner of the application in Vietnam while in Japan the procedure is similar to the procedure of appeal where the decision is taken by an administrative court of three to five specialized examiners. All opposition shall be handled by appeal division in the JPO while in the NOIP, if opinions of the third party are related to the registration right, when finding it impossible to determine whether or not such opinions are grounded, the NOIP shall notify such to the third party so that the latter can file a petition with a court for handling, the result of opinion shall follow the ruling of the court, others types of opposition shall be judged by trademark examiners who are in charge of related trademark application in examination procedure.

There are some similarities in both countries. The opposition must be submitted in writing with documentary evidence and the request for hearing is allowed. The decision regarding the result of the opposition is not subject to appeal. However, the reasons are different, in Japan, opposition is handle by collegial body of three or five appeal examiners under appeal procedure so decision on opposition shall not be reviewed in appeal proceeding while in Vietnam although the decision on opposition is made by trademark examiner but opposition is only regarded as an information source for reference in the course of processing an industrial property registration application therefore the

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decision with regard to opposition shall not be appealed. Both countries examine together more than one opposition filed against the same application or registration.

We all clearly know that almost countries have some kind of opposition system. Opposition proceedings as part of the trademark registration system are widely regarded as a useful step of trademark registration procedures. They provide an opportunity for third parties to prevent the registration of potentially conflicting marks.

In Japan, with the goal of making the granting of the registrations faster, the opposition proceedings which in the past occurred before registration are now made after it. The procedure is similar to that of an administrative trial.⁵¹ The Commissioner of the JPO will appoint a collegial body of three or five trial examiners (depending on the complexity of the matter) in order to conduct the trial examination. Any grounds not pleaded by the opponent may be examined *ex officio*, but no examinations will be conducted on any designated goods or services for which opposition was not raised. After the examination, if the decision is for the revoking, the holder of the trademark right will be notified about the reasons for the revocation. The holder has then an opportunity to submit a written opinion in a reasonable time limit (40 days to nationals, 3 months to foreigners). The opposition handled by that way shall be objective and accurate.

In Vietnam, anyone can file opposition during the examination process from the date of application publication to the date of refusal or registration so it shall provide more opportunities for other parties to oppose the registration. It is also a good way to make the examination more reliably. However, opposition often is not a simple one especially the cases related to well-known trademark recognition therefore it seems a hard work for examiners in dealing with during the examination proceeding and the efficacy of decision with respect of opposition is a question.

12. Trademark right

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Vietnam: Article 6 of IP Law

Art.6(3)(a): Industrial property are established as follows:

- a) ... for a well-known mark, industrial property rights shall be established on the basis of use process, not subject to any registration procedures.

Japan: Chapter IV of JTL

Art.18(1): A trademark right shall come into force upon registration of its establishment.

Art.19(1): The term of a trademark right shall be ten years from the date of registration of its establishment.

Art.25: The owner of a trademark right shall have an exclusive right to use the registered trademark with respect to the designated goods or designated services. However, where the trademark right is subject to a right of exclusive use, this provision shall not apply to the extent that the owner of that right has an exclusive right to use the registered trademark.

Art.27(1): The scope of a registered trademark shall be decided on the basis of the trademark stated in the request.

Art.27(2): The scope of the designated goods or designated services shall be decided on the basis of the statement in the request.

There is absolutely different between two systems.

In Vietnam, the well-known trademark right shall be automatically constituted base on use without registration procedure. Notwithstanding the non-registration status the well-known trademark owners can by their self or request the competence authority to protect their legitimate rights derived from the trademark well-known-ness. In this case they must submit the documents to evidence their ownership of marks and prove that their marks satisfy the conditions for being considered well-known set forth in Article 75 of IP Law. The well-known trademark right shall exist until the reputation of the mark exists. Because of the automatic establishment of well-known trademark right, it very difficult for the competence authorities in dealing with the cases related to well-known trademark, the recognition of a well-known trademark shall bring much

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rights for trademark owner, in contrast, cause great damages to suspected trademark owner.

In Japan, trademark right is only established through registration. Unregistered well-known trademark has no trademark right. The term of protection and the scope of protection with regard to well-known trademark will be similar to those of ordinary registered trademark. Only the registered trademark has the right to preclude from infringement of the trademark.

13. First-to-file system

Vietnam: Art.90 of IP Law

“1. Where two or more applications are filed by many different parties for registration of ..., or for registration of marks identical with or confusingly similar to each other, for identical or similar goods or services, the protection title may only be granted to the valid application with the earliest priority or filing date among applications that satisfy all the conditions for the grant of protection titles.

2. Where there are two or more applications satisfying all the conditions for the grant of protection titles and having the same earliest priority or filing date, the protection title may only be granted to a single application out of these applications under an agreement by all applicants. Without such an agreement, all these applications shall be refused for the grant of a protection title.

Japan: Art.8 of JTL

“(1) Where two or more applications for trademark registration relating to identical or similar trademarks which are to be used in connection with identical or similar goods or services have been filed on different dates, only the applicant who filed the application for trademark registration on the earlier date shall be entitled to register the trademark in question.

(2) Where two or more applications for trademark registration relating to identical or similar trademarks which are to be used in connection with identical or similar goods or services have been filed on the same date, only

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one applicant shall be entitled to register the trademark in question, to be determined by consultations between the applicants who filed such applications.

(4) In the case of Paragraph (2), the Commissioner of the Patent Office shall require the applicants for trademark registration to arrange consultations between the applicants as set forth in the said paragraph and to report the result thereof, designating a reasonable time limit for such purpose.

(5) Where no agreement is reached in the consultations held pursuant to Paragraph (2) or no report is submitted within the designated time limit set forth in the preceding paragraph, only one applicant, selected by a lottery in a fair and just manner conducted by the Commissioner of the Patent Office, shall be entitled to register the trademark in question.

The first-to-file system is followed in both countries. The content stipulated in Law is similar too. However, there is exception of this principle related to well-known trademark in Vietnam. According to first-to-file rule, in principle, the trademark right shall be granted to the first application. However, well-known trademark right shall be established through use without registration, thus, regarding to the trademark similar to or identical with the well-known trademark, prior application shall not bring the right to be granted to trademark owner. Other difference is where there are two or more applications having the same earliest priority or filing date and their owners does not reach an agreement to choose which applicant will follow the registration all these applications shall be refused in Vietnam while only one applicant shall be selected by a lottery in a fair and just manner conducted by the Commissioner of the JPO.

14. Prior use

Vietnam: no provision

Japan: Art.32 of IP Law

“Right to use trademark arising from prior use

(1) Where, from a time prior to the filing by another person of a trademark application and without any intention of violating the rules of fair

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competition, a person has been using in Japan the trademark in the application or a similar trademark in respect of the designated goods or designated services in the application, or in respect of similar goods or services, and, as a result, the trademark has become well known among consumers as indicating the goods or services as being connected with his business at the time of filing of the trademark application (or at the time of filing of the original trademark application or of submission of an amendment when the trademark application is deemed to have been filed at the time of submission of the amendment in accordance with Article 9^{quater} (9-4) of this Law or in accordance with Article 17^{ter}(17-3)(1) of the Design Law as applied under Article 17^{bis}(17-2)(1) of this Law or 55^{bis}(55-2)(3) (including its application under Article 60^{bis}(60-2)(2) of this Law)), such person shall have a right to use the trademark in respect of said goods or services provided that he continues to use the trademark with respect to the goods or services. The same shall apply in the case of a person who has succeeded to the business concerned.

- (2) The owner of the trademark right or of a right of exclusive use may request the person having a right to use the trademark under the preceding paragraph to apply a suitable indication so as to prevent any confusion between the goods or services connected with his business and those connected with owner's business.

Prior use had existed in Vietnamese Law before and was abolished in the IP Law 2005 on the standpoint of first-to-file rule. Although there is no such thing as prior use in IP Law, the content of Article 74(2)(g) is something like that. It states that: A mark shall be considered as indistinctive if it is a sign or signs falling into the following case "Signs identical with or confusingly similar to another person's mark which has been widely used and recognized for similar or identical goods or services before the filling date or the priority date, as applicable". Unlike the well-known trademark, the mark widely used or recognized has no trademark right. However, it can be prevented from other parties' registration. In practice, this Article is often used for the trademarks

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which have a certain reputation but not satisfy the criteria as well-known mark stipulated in Article 75 of IP Law. No specific provision with respect to in which situation the Article 74(2)(i) or Article 74(2)(g) shall be applied can be found in any statutory documents. Although the widely used or recognized trademark under Article 74(2)(g) has no trademark right but it can preclude other's identical or similar trademark from registration, thus, it can be inferred that the use of unregistered widely used and recognized trademark has been admitted. The Article 74(2)(g) was designed to protect the good will because although the trademark had not been registered but is cannot be denied the fact that it has been used or widely known, the trademark owner certainly invested much effort to establish its fame and make it in mind the consumers.

The Article 32 of JTL also serves to protect the goodwill. The use of unregistered well-known trademark without competitiveness shall not be deemed as act of infringement. Although under the JTL, trademark right is obtained based on registration, but there is exception for well-known trademark in the case prior to filing date of other person's mark, a well-known trademark had been used with no intention of unfair completion and become well-known among consumers. This exception does not bring the trademark right to well-known trademark owners but their usage is legally accepted.

15. List of well-known trademark

Vietnam: Article 42(4) of of Circular No.1/2007 TT BKHCN of February 14, 2007 "If a well-known mark is recognized according to civil procedures or under a recognition decision of the NOIP, that well-known mark shall be recorded in the list of well-known marks kept at the NOIP".

Japan: no provision

The list of well-known trademark was first mentioned after the promulgation of IP Law in 2005. Although, the existence of well-known trademark list has been stated in the above-mentioned statutory document but up to now there is unavailable List of recognized well-known trademarks in the NOIP. The compilation of this List is vital in process dealing with the well-

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known trademark related cases. It shall help the competence authorities such as the NOIP, industrial property right enforcement bodies to issue the unified decisions. It is also a base for well-known trademark owners invoke to evidence their reputation.

In Japan, although the well-known trademark list does not been stipulated in JTL but it is mentioned in Trademark Examination Manual that the examiners shall use the information published in “Searching Japanese Well-known trademarks” of IPDL to conduct examination related to well-known trademark. Categories of rights accumulated as Well-Known Trademarks include trademarks which have been registered as defensive marks and trademarks which have been recognized as well-known trademarks in decisions on opposition, appeal/trial decisions or court decisions.

16. Ways to be recognized as well-known trademark

Vietnam: not specific except the Article 42(4) of of Circular No.1/2007 TT BKHCN of February 14, 2007 “If a well-known mark is recognized according to civil procedures or under a recognition decision of the NOIP, that well-known mark shall be recorded in the list of well-known marks kept at the NOIP”.

Japan: Article 64 of JTL

In the both countries there is no specific article providing the ways to be recognized as well-known trademark. However, it can be inferred that the similarity is the well-known trademark recognition can be obtained through administration proceeding or judicial proceeding.

The difference between the two countries is in Japan there is a defensive trademark system. Once a trademark has been registered as defensive trademark that means it is recognized as well-known and is added in Well-known Trademark List.

Chapter 5 – Conclusion and recommendation

As we all know, the trademark is a valuable intellectual property as well as plays a very important role in business operations, competition and market development. Over time, with business development, trademark reputation is increasingly enriched, leading to its value increasing progress, especially when the trademark became famous and large consumers known.

For a developing country like Vietnam, to gradually enter the market economy and deeply integrate into the world economy, the awareness of efficient protection of well-known trademark has also become important issues in the demand for complete legal framework on intellectual property. Furthermore, Vietnam is a member of the Paris Convention and is implementing the provisions of the TRIPS/WTO so Vietnam is obligated to make domestic law including intellectual law comply with the international treaties.

Resulted from this study with understanding the current situations regarding with well-known trademark protection in Vietnam, it is concluded that, in general, the legal framework for well-known trademark protection is compatible to the requirements set forth in the international treaties. However, there exist some inconsistencies in law and the legal interpretations are not adequately provided. Therefore, it is necessary to improve the well-known trademark protection system in order to fulfill the requirement of international integration as well as to protect the legitimate interest of right holders and the public at large effectively.

Learning from the Japan's experience on well-known trademark protection, following recommendations are suggested for enhancing well-known trademark protection system and facilitating the examination procedure in the NOIP.

5.1. Amend Article 4(20) of IP Law with respect of well-known trademark definition

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As analyzed in preceding chapter, the definition of well-known trademark stipulated in Article 4(20) of IP Law does not comply with Article 16(3) of TRIPs Agreement, namely, according to the definition, well-known trademark must be known by consumers throughout the territory of Vietnam while the awareness of relevant sector of the public is sufficient to be recognized as well-known under TRIPs Agreement. Moreover, in practice, in determining whether a trademark is well-known or not, the criteria regarding the scope of public acknowledgement is not as high as that stated in Article 20(4). Therefore, amendment of well-known trademark definition is not only necessary for adapting the international commitment but also ensuring the consistency of the law and making the conformity in practice. In author's opinion, the definition as "well-known trademark means a mark widely known by consumers" is sufficient.

5.2. Upgrade Examination Guidelines

In Japan, trademark examiners use the Examination Guidelines and Trademark Examination Manual in their daily work. These documents have been well-established as standards for examination by examiners. Although the Examination Guidelines do not fall into a law and bylaws, reference to the Examination Guidelines enables examiners to examine trademark applications in line with the purpose of the Trademark Law in a fairer and more efficient manner. At the same time, applicants are also able to understand the standards for examination on the requirements for registrability and appropriateness of amendments more accurately so that they are able to go through more appropriate procedures in preparing descriptions and responding to a notification of reasons for refusal. Moreover, the Examination Guidelines includes many practical explanations on registrability and unregistrability, distinctiveness and similarity of trademark and so on; it may ensure the fair and accurate operation of trademark examination. The Examination Guidelines also may provide the reference material for related competence authorities in dealing with well-known trademark cases such as the court... This is especially important in case of Vietnam where the well-known trademark right is automatically established on

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the basis of use without registration and the capacity in determining the well-known-ness of trademark of related competence authorities as well as the persons in charge are not adequate to the demand while not only the NOIP involves in well-known trademark protection but also many other related bodies do. Additionally, well-known marks are afforded special protection and this privileged protection should correspondingly be limited to specific circumstances. Therefore, these specific circumstances must be clearly stated in Examination Guidelines.

The Trademark Examination Guidelines has been issued in the NOIP recently in mid year 2010. However, the content with respect of well-known trademark mentioned in this material is not appropriate for the importance of this matter. Examiners cannot find much guidance about how to handle the cases related to well-known trademark in this material.

Because of the case-by-case nature of determining fame, it is hard to predict whether the competence authorities will find a well-known mark properly. With respect to the Trademark Guidelines, due to the lack of detailed explanations, the problem is that the understanding of the law is different among competence bodies, the capacity of person in charge vary from each other so that these authorities have been inconsistent in applying the laws. These arguably create a greater level of subjectiveness in determining whether a potentially conflicting trademark is well-known.

To attain the goals of uniformity, consistency and certainty, it is essential for the NOIP to include in the Trademark Examination Guidelines the following contents:

- Illustrative cases to explain which case falls under the Article 74(2)(i) of IP Law
- Illustrative case to distinguish the difference between the Article 74(2)(i) and 74(2)(g) of IP Law
- Trademarks well-known among consumers include not only marks well-known among end consumers but also marks well-known within a certain specific areas and in the relevant sector of the public.

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- Which situation unregistered well-known trademark can be recognized as well-known trademark in Vietnam

The other thing is that the NOIP should follow JPO's practice to disclose the Examination Guidelines for Trademark so that the trademark applicants can get some knowledge in advance on how a trademark is examined by examiners and improve the percentage of success in acquiring trademark registration.

Moreover, the Trademark Examination Guidelines can be understood as official interpretations, explanations, and guidance opinions issued by the NOIP so that it shall be used as reference to make effect uniformity among other related bodies such as courts, custom office, economic police, market management agency... on the interpretation and application of laws. Although these explanations are not, in theory, "laws", they do serve as "gap fillers" for these competence authorities. Uniform and consistent standards applicable in the NOIP and among others competence authorities are important goals for ensuring the transparency of well-known trademark protection.

5.3. Compile well-known trademark List

The need of compilation of well-known trademark list is vital in implementing IP Law. The existence of this list has been stipulated in 42(4) of Circular No.1/2007 TT BKHCN of February 14, 2007 guiding the implementation of the Government's Decree No.103/2006/ND-CP of September 22, 2006, detailing and guiding the implementation of a number of articles of The Law on Intellectual Property regarding industrial property right. However, until now this list has not been established yet.

There would be several benefits to a List of well-known trademark.

First, it would create a single, uniform well-known trademark database. This would be very helpful not only for trademark examiners in examining the well-known trademark related applications but also for other competence authorities in enforcing intellectual property rights. These authorities would have

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sufficient information to render the decisions with respect of well-known trademark consistently.

Second, a List of well-known trademark would afford the owners of well-known trademarks greater certainty about the scope of their protection; particularly important for well-known trademark owners that this List constitutes prima facie evidence of reputation in litigation. The owner of well-known trademark often will benefit from actual notice that their trademarks are recognized as well-known and they have all trademark rights stipulated in IP Law. The net result will be fewer unnecessary, costly disputes, as third parties on actual notice will be less likely to select similar marks⁵².

Trademarks are only protected for so long as they serve a source identifying function. If a mark is abandoned through non - use, or becomes the generic term for the product... then the mark loses all legal protection under trademark law. If either scenario occurs with respect to a well-known trademark, then the trademark should be a subject of cancellation just as an ordinary registration. In the same trend, if a trademark ceases to be well-known, then the corresponding trademark on the well-known trademark list should be removed. The NOIP should account for these new bases for establishing the Guidelines for well-known trademark List. The burden of proof for each basis would be on the party petitioning for cancellation or removal. Moreover, the specific routes to be accumulated in well-known trademark List also must be clearly stated.

Due to the lack of a list of well-known trademarks, well-known trademark owners must prove their trademarks' status as being well-known on a case-by-case basis.

5.4. Publish a summary of appeal/trial decisions

In Japan, summary of appeal/trial decisions has been published by the JPO on a monthly basis to keep examiners well-informed of the latest trend of their professional fields. This type of material is very useful for examiners and especially important for new comers to improve their experiences in daily work.

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Besides, there would be preferred that the typical cases collected in this material can be used as reference for other related competences authorities in dealing with intellectual property enforcements and also the trademark owners in protect their legitimate right effectively.

With so many advantages of the above-mentioned material, it is a time for the NOIP to publish the same document.

5.5. Adjust the opposition procedure with respect of well-known trademark recognition

In Japan, with the goal of making the granting of the registrations faster, the opposition proceedings which in the past occurred before registration are now made after it. Only within two months from the publication of the Gazette containing the trademark (after substantive examination), any person may file with the Commissioner of the JPO an opposition to a registration on the grounds that the trademark registration has been granted in violation of the JTL. An examination concerning an opposition and the ruling thereon shall be conducted by a collegial body of three or five trial examiners. The procedure is similar to that of an administrative trial. Review of the application by a three or five-judge panel is important to ensure that the examiner's decision is correct.

In Vietnam, the opposition can be filed any time from the date of application publication to the date prior to the decision of provisional refusal or registration shall be issued. The opposition including the case with respect of well-known trademark recognition shall be conducted by examiner who is responsible for the related application. We all know that, deciding which trademark is well-known or not is not an easy task, especially while there is lack of detailed explanation over this matter in Trademark Guidelines. On the other hand, the well-known trademark right is automatically established without registration. Once a trademark has been recognized as well-known, it will have full rights as ordinary registered trademark. Therefore, conducting a well-known trademark related case is always very important. In author's point of view, regarding to well-known trademark related case opposition, it should be handled

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separately from the substantive examination process. The opposition should be conducted by collegial body to ensure the objectiveness and accuracy of the decision.

5.6. Improve the public awareness regarding well-known trademark

In order to improve the protection of Well-known Trademarks activity in Vietnam, there is an urgent need to device and implement an action plan to sensitize academia, enterprises and general public about the importance of this kind of IP creation. In fact, so as to harness intellectual property awareness, Vietnam needs some kind of revolution like movement to bring about renaissance in Vietnam's IP World.

- Early-stage awareness can be brought by introducing the topics related to "Well-known Trademarks" together with other IP issues like patents by demonstrating the delight of creativity at the elementary school level itself and gradually making the subject more comprehensive to open minds to intellectual property.

- There should be more awareness of the economics of IP, appreciating the economics of intellectual property is critical for the success of businesses.

- Universities, research centers and academia in general should popularize a practical approach to create culture for IP protection in all fields including "Well-known Trademarks".

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