Establishing and Refining Trademark Examination System in China

---- Comparative Study on Trademark Examination System between China and Japan

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~~~~~~~~~~~~ Opinions expressed in this report are purely personal and do not necessarily reflect those of the organization to which the author belongs, ~~~~~~~~~~~~~
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I. Current Situation of Trademark Development in China

1.1. Trademark legal system

Chinese IPR legal system was established at a comparatively late date, but with rapid progress. Major progress has been made in IPR protection since the late 1970s, when China initiated reform and opening-up policies. In 1980s, with the enactment of a number of laws covering the major contents of intellectual property such as the Patent Law, Trademark Law, Copyright Law, etc., a relatively complete intellectual property system has been gradually established and playing an important role in economic development and social progress in China.

Great progress has been made in China's trademark law system since November, 1979, when China resumed the unified registration of trademarks. In 1982, the current Trademark Law was adopted and went into effect on March 1, 1983. In February 1993, the Trademark Law experienced its first revision to include service trademarks in trademark protection. In July 1993, the Rules for the Implementation of the Trademark Law brings collective trademarks and certification trademarks into the scope of legal protection of trademarks. In October 2001, the Trademark Law was revised for the second time to keep in line with the principles of TRIPs Agreement. This is the most significant revision since the establishment of Trademark Law, which introduced three-dimensional trademarks and trademarks of color combination into the scope of trademark protection and offer greater protection to well-known trademarks. In 2002, the Regulations for the Implementation of the Trademark Law (hereinafter referred to as “the Regulations”) was promulgated. To further go along with the Trademark Law and the Regulations, some administrative rules and regulations were formulated or revised. Please see table 1 for details.
<table>
<thead>
<tr>
<th>Laws, regulations and administrative rules</th>
<th>Date on which it was promulgated</th>
<th>Date on which it entered into force</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measures on Trademark Printing</td>
<td>Aug.19,2004</td>
<td>Sep.1,2004</td>
<td></td>
</tr>
</tbody>
</table>
To better protect trademark on an international level, China has joined major international treaties which are showed in table 2:

Table 2

<table>
<thead>
<tr>
<th>International organizations and agreements China has become party to</th>
<th>Date on which China became a party to</th>
<th>Date on which the agreement entered into force in China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Madrid Agreement concerning the International registration of Marks</td>
<td>July.4,1989</td>
<td>Oct.4,1989</td>
</tr>
<tr>
<td>Nice Agreement concerning the International Classification of Goods and Service for the Purposes of the Registration of Marks</td>
<td>May.5,1994</td>
<td>Aug.9,1994</td>
</tr>
<tr>
<td>Protocol relating to the Madrid Agreement concerning the International Registration of Marks</td>
<td>Sep.1,1995</td>
<td>Dec.1,1995</td>
</tr>
<tr>
<td>Agreement on Trade-related Aspects of Intellectual Property Rights</td>
<td>Nov.11,2001</td>
<td>Dec.11,2001</td>
</tr>
</tbody>
</table>

1.2 Government’s efforts in intellectual property protection

For last two decades, Chinese government having been devoted itself to the promotion of intellectual property system and protection of intellectual property rights, especially after China’s accession to the World Trade Organization.

In 2004, China established the State IPR Protection Work Team which consists of 11 government organizations, namely, the State Intellectual Property Office, State Administration for Industry and Commerce (SAIC), Press and Publication General Administration, State Copyright Bureau, Ministry of Culture, Ministry of Agriculture, State Forestry Administration,
Ministry of Public Security, General Administration of Customs, Supreme People's Court and Supreme People's Procuratorate. The Work Team is headed by vice-premier Wuyi of the State Council and responsible for the planning and coordination work of nation-wide IPR protection.

In his Government Working Report of 2005, Premier Wen mentioned three times the importance intellectual property rights. He pointed out that the Chinese government will further strengthen the protection of intellectual property rights; actively involve in the development of self-dependant intellectual property and expedite the reconstruction of economic structure depending on the development of technology.

In January 2005, the State Council of China established a Working Group for Formulating National Intellectual Property Strategy, led by vice premier Wuyi. On July 1, 2005, the first session of the Working Group was held, which officially kicked off the work of formulating National Intellectual Property Strategy of China.

Efforts are also made to promote the intellectual property awareness of the general public. In 2004, the State designated the week from April 20 to 26 each year as the "week for publicizing IPR protection". By different means, the Chinese government carries out publicity campaigns through media such as newspapers, television, and the Internet, etc. as well as holding seminars and knowledge contests, so as to create a social atmosphere in which labor, knowledge, talent and creation are respected.

1.3 Current status of trademark application and protection

With the rapid economic development and the improvement of the trademark legal system, applications for trademark registration in China have soared in recent years. In 1980, applications for trademark registration were only 26,177. The number reached 132,323 in 1993. From the year 2001 to 2003, applications for trademark registration quickly increased to 270,417, 371,936, and 453,095. In 2004, even more astonishing, the applications for trademark registration reached 588,000, 136,000 more than that of 2003, an increase of 30 per cent. By the end of 2004, China had had 2,240,000 registered trademarks in total.

Trademarks filed by non-residents have also kept increasing. In 1982, only 1,565 trademark applications had been filed by foreigners. The number
reached 24,565 in 1993 and 60,335 in 2004. Before 1979, there were only 5,130 trademark registrations from 20 countries and regions. By the end of 2004, there were 403,000 trademark registrations from 129 countries and regions, almost a 79-fold increase over that in 1979, accounting for 18 per cent of the total number of registered trademarks in China. Please see table 3 for details.

Table 3

Statistics of Trademark Applications and Trademark Approved in Force over the Previous Years

<table>
<thead>
<tr>
<th>Year / Item</th>
<th>Applications</th>
<th>Registrations Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Domestic</td>
<td>Foreign</td>
</tr>
<tr>
<td></td>
<td>Country Applications</td>
<td>Madrid Application</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>27459</td>
<td>5130</td>
</tr>
<tr>
<td>1980</td>
<td>26177</td>
<td>15348</td>
</tr>
<tr>
<td>1981</td>
<td>23004</td>
<td>15707</td>
</tr>
<tr>
<td>1982</td>
<td>18565</td>
<td>12385</td>
</tr>
<tr>
<td>1983</td>
<td>20807</td>
<td>4293</td>
</tr>
<tr>
<td>1984</td>
<td>29564</td>
<td>13252</td>
</tr>
<tr>
<td>1985</td>
<td>49243</td>
<td>19584</td>
</tr>
<tr>
<td>1986</td>
<td>50970</td>
<td>26993</td>
</tr>
<tr>
<td>1987</td>
<td>44069</td>
<td>27687</td>
</tr>
<tr>
<td>1988</td>
<td>47549</td>
<td>25448</td>
</tr>
<tr>
<td>1989</td>
<td>48411</td>
<td>31810</td>
</tr>
<tr>
<td>1990</td>
<td>57272</td>
<td>25966</td>
</tr>
<tr>
<td>1991</td>
<td>67604</td>
<td>34501</td>
</tr>
<tr>
<td>1992</td>
<td>90795</td>
<td>42710</td>
</tr>
<tr>
<td>1993</td>
<td>132323</td>
<td>42668</td>
</tr>
<tr>
<td>1994</td>
<td>142617</td>
<td>47482</td>
</tr>
<tr>
<td>1995</td>
<td>172146</td>
<td>59895</td>
</tr>
<tr>
<td>1996</td>
<td>151804</td>
<td>101178</td>
</tr>
</tbody>
</table>
China has also put great emphasis on the protection of trademark rights. From 2001 to 2004, local administrations for industry and commerce (hereinafter referred to as “local AICs”) nationwide dealt with 169,600 cases that violated trademark laws and regulations, among which 113,000 cases involved trademark infringement and counterfeiting (12,000 cases involved foreign trademarks) and 56,600 cases were other types of violations of trademark laws and regulations. 529 million pieces of counterfeiting trademark representations were confiscated and destroyed and 286 cases involving 300 people were transferred to judicial organizations for criminal liabilities. In 2004, three special campaigns were launched, focusing on protecting well-known trademarks and foreign trademarks as well as on tackling the trademark infringements concerning food and medicine. According to the statistics, 51,851 trademark law-violation cases were handled, among which, 11,680 were common violations of the trademark laws and regulations, 40,171 were trademark infringement and counterfeiting cases. 96 cases involving 82 people were transferred to judicial organizations for criminal liabilities.
1.4 Challenges faced by China Trademark Office (CTMO)

In recent years, noticeable improvement has been achieved in the field of intellectual property protection. However, in a large developing country with a population of 1.3 billion and relatively backward economy, a complete intellectual property system cannot be established overnight. As for trademark protection, CTMO also faces some big challenges which mainly lie in the following aspects:

1.4.1 Efficiency and quality of trademark examination

I may say CTMO is an efficient trademark office. In 2003, 335,000 applications for trademark registration were examined, 3,854 applications for each examiner. According to the statistics of spot check, the trademark registration period in 2003 was 14 months, 3 months shorter than that of 2002. And in 2004, 513,000 trademarks of all kinds were examined, 31,000 more than that of the year 2003, increasing by 6.44%. However, the speed of examination still can’t match the speed of increase of the applications of trademarks. Besides, China doesn’t have accelerated examination system to abate this situation. Under such circumstances, how to ensure quality of trademark examination at the same time improve the efficiency of examination is one of the key issues to be addressed by CTMO.

1.4.2 Public awareness

In the past two decades, Chinese government, including China Trademark Office has spared no efforts in the development and promotion of public awareness of IPR and trademark right. Some good results have been achieved, for example, IP law departments have been established in some universities to foster IP graduates, more and more small and medium-sized enterprises have realized the importance of trademark registration and protection, etc. Nevertheless, the situation is far from optimistic compared with that of developed countries, especially in that China lacks an intellectual property education and fostering system: trademark seminars and meetings are held within the scope of academics and professionals, seldom to the general public and people live in remote areas never heard about the wording of “trademark” or “IPR”; no education for elementary school students, which result in total ignorance of IP knowledge of children and young people, etc. Therefore, it is essential for CTMO to take effective steps to improve the trademark
awareness of general public, especially young people and people in remote areas.

1.4.3 Trademark right enforcement

For years, local AICs nationwide have been fully exploiting their advantages in trademark administrative law enforcement to severely tackle trademark infringement and counterfeiting activities and some happy results have been achieved. However, despite all the efforts and progress, trademark infringement and counterfeit keep increasing dramatically. Therefore, how to play a more active role in instructing the local AICs to effectively handle trademark counterfeit and infringement cases is a severe challenge faced by CTMO.

1.4.4 Trademark examination system

As China employs a trademark examination system, a trademark right can only be acquired through registration after the examination by trademark examiners. In order to ensure just and fair examination decisions, it is essential to set up a sound trademark examination system. A satisfactory trademark examination system is also a basic and a first step to address many other issues facing CTMO, such as the quality and efficiency of trademark examination, trademark enforcement, etc..

A trademark examination system, no doubt, should be established based on the trademark legal system. After the entry to WTO and the revision of Trademark Law, China has achieved a great improvement in the new Law and Regulations. However, there are still some flaws in the trademark law system: such as, some provisions of the Law and the Regulations are vague in meaning, leaving much room for discretion; some subject matters which should be protected are not covered by the law, etc. The Trademark Law has to be improved in many aspects to meet the requirements of framing a satisfactory trademark examination system.

A sound trademark examination system, in the author’s opinion, should be constituted of an incentive personnel system of trademark examiners, an efficient organization system, a highly efficient information technology system and a complete set of practical guide materials for trademark examination. However, a satisfactory trademark examination system like this has not yet been established in China. This has greatly hampered the smooth
operation of trademark examination and prevent CTMO from becoming a modernized trademark office.

Regarding the personnel system, China lacks systematic training plans for trademark examiners on IP knowledge and expertise and the promotion system for examiners is also not so reasonable and encouraging. Although one needs to meet some qualifications to become an examiner and most of the examiners own a degree of bachelor or above, it is dangerous for the examiners to stay unchanged, without upgrading their knowledge.

Concerning the organization system, CTMO consists of 16 divisions with 210 people. 7 divisions, with 144 trademark examiners are in charge of trademark examination. However, there is not a single division or section specially set up focusing on research, planning or project concerning trademark examinations. In other words, no organization takes charge of basic matters related to trademark examination, which is critical for the future development of trademark examination system.

Regarding the information technology system, the current trademark automation system is not advanced enough to support an efficient and high-quality trademark examination system; the current condition of provision of information is far from satisfactory and an information dissemination system is desperately needed to be established to meet the various needs of the public and users.

The standard materials for trademark examination is purported to provide a uniform standard for trademark examination and prevent the trademark law being interpreted and executed differently so that fair and just decisions can be ensured. To serve this purpose, the Examination Guidelines for Trademark was adopted by CTMO in 1983 and revised in 1994 to keep in line with the revision of the Trademark Law in 1993. The Guidelines used to play an important role in guarantee the relatively prompt and precise examinations in CTMO. But with the revision of Trademark Law in 2001 as well as the great changes of economic situation in last decade in China, this Guidelines is obviously out of date and can’t match the current status of trademark examination. At the time being, CTMO is studying and drafting a new version of Examination Guidelines for Trademark. The author thinks it is good time to make a comparison study between Japan and China and put forward some suggestions to CTMO. On the other hand, there is no standard document available in CTMO regulating the process of granting trademark right and
daily trademark administration, like the Trademark Examination Manual does in JPO.

Considering the current situation of trademark examination in China and realizing the significance to establish a sound trademark examination system, and also considering that a mature and practical trademark examination system based on its well-developed trademark legal system has already been established in Japan, the author would like to do a comparison study on the Trademark Law as well as trademark examination system between China and Japan so as to make some recommendations for the establishment and refinement of trademark examination system in China.

II. Comparison of Trademark Law between Japan and China

2.1 Legal system of trademark protection

In both countries, trademark is basically protected by trademark law and regulations related to trademark law. However, when talking about a legal system of protection of trademark, one can’t neglect the important role played by Unfair Competition Law and international treaties.

2.1.1 Japanese legal system of trademark protection

Unfair Competition Law
One of purposes of Unfair Competition Law is to “establish economic order through the maintenance, etc., of the business reputation of persons using trademarks and contribute to the interests of consumers” which is in common with Trademark Law.

International treaties
Japan is a party to the following international treaties: Paris Convention, Nice Agreement, Trademark Law Treaty, Madrid Agreement for the Repression of False or Deceptive Indication of Source on Goods, Madrid Protocol Concerning the International Registration of Marks and also a member to TRIPs Agreement.

Regulations related to Trademark Law
Regulation under Trademark Law
Provides various application forms for trademark application such as Form of Application for Registration for Trademark, Form of Request for Renewal Registration of the Term of the Trademark, etc.

Trademark Registration Order
Set forth Matters to be Registered Concerning Trademarks, Procedures for Registration, etc.

Order on Fees relating to the Patent Law
States the specific amount of fees, such as Application fee, Trial Demand Fee, etc

Trademark Law Enforcement
Provides Classification of Goods and Services, Qualification of Examiners and Trial Examiners, etc.

Trademark Registration Order Enforcement
Sets forth Method for Registration of Establishment of Trademark Right, Form of Request, etc

Ministerial Ordinance
Provides fees payment matters related to IP including trademarks

2.1.2 Chinese legal system of trademark protection

Unfair Competition Law
The purpose of Unfair Competition Law is to “protect the interests of consumers and promote the development of socialist economy” which is in common with Trademark law.

International treaties
China is a party to the following international treaties: Paris Convention, Nice Agreement, Madrid Agreement Concerning the International Registration of Marks, Madrid Protocol Concerning the International Registration of Marks and also a member to TRIPs Agreement.

Regulations related to Trademark Law

Regulations for the Implementation of the Trademark Law
Set out the guidelines on how the Trademark Law is to be implemented.
Rules on the Administration for Special Marks
Set out rules on how to protect special signs such as signs of Olympic games, signs of 2010 EXPO in Shanghai, etc.

Rules of Trademark Review and Adjudication
Set out concrete rules to operate trademark review and adjudication.

Regulations on Determination and Protection of Well-known marks
Provides the factors to be considered in determining well-known trademarks and procedure of determining well-known trademark, etc.

Measures on the registration and Administration of Collective and Certification Marks
Set out qualifications for application for the registration of collective and certification marks and how to use and manage collective and certification marks.

Measures on the Implementation of International Registration of Marks under Madrid System
Set out requirements and procedure of trademark applications filed under Madrid System, which includes both Madrid Agreement Concerning the International Registration of Marks and Madrid Protocol Concerning the International Registration of Marks.

Measures on Trademark Printing
Set out measures to regulate the printing of trademark representations.
2.2 History of Trademark Law

2.2.1 History of Trademark Law in Japan

Adoption of Trademark Ordinance of 1884
Adopted Principle of registration, principle of examination and first to file rule.

Revision of Trademark Ordinance of 1888

Revision of Trademark Ordinance of 1899
Added Priority related provisions, etc, to comply with requirements under the Paris Convention

Revision of Trademark Ordinance of 1909
Introduced associated trademark system

Revision of Trademark Ordinance of 1921
Introduced Application Publication System and collective mark system

Adoption of present Trademark Law in 1959

Revision of Trademark Law of 1975
Required indication of Business of Applicant in an application

Revision of Trademark Law of 1992
Adopted service mark system;
Adopted the International Classification under Nice Agreement

Revision and Trademark Law of 1994
New provisions added and revisions made to comply with requirements under TRIPs Agreement

Revision and Trademark Law of 1996
This is the biggest revision since 1959, the main changes include:
1. Adopted a multi-class application system;
2. Adopted a three-dimensional trademark system;
3. Adopted a standard characters system;
4. Allowed an installment payment of the registration fee;
5. Abolished a substantive examination on the use of a registered mark on its renewal;
6. Abolished the association trademark system;
7. Introduced a post-grant opposition system;
8. Adopted re-classification system of goods and services

Revision of Trademark Law in 1998
Review of the method of calculating the amount of indemnity for damages caused by infringements

Revision of Trademark Law in 1999
1. Implementation of the protocol relating to the Madrid Agreement concerning the International Registration of Marks
2. Establishment of a prompt publication system for trademark applications for registration

Revision of Trademark Law in 2002
Introduced system of use of trademarks by electronic means

2.2.2 History of Trademark Law in China

Adoption of Provisional Regulation on Trademark Registration of 1904

Adoption of Trademark Law of 1923

Adoption of Trademark Law of 1930

Adoption of Provisional Ordinance on Trademark Registration of 1950
1. Adopted principle of registration, principle of first-to-file and principle of examination
2. Adopted Classification of goods for the purpose of trademark registration

Adoption of Ordinance of Trademark Administration of 1963
Adopted compulsory trademark registration system

Adoption of the current Trademark Law in 1982
1. Adopted principle of unified registration, principle of first-to-file, principle of examination;
2. Introduced the provisions of protecting the exclusive right of trademark owners and the interest of consumers;
3. Introduced the provisions concerning the national treatment to foreign applicants
Revision of Trademark Law of 1993
1. Introduced service mark registration system;
2. Adopted trademark agency system

Revision of Trademark Law of 2001
This is the most significant change of law since 1982, the main changes are as follows:
1. Introduced certification and collective trademark registration system;
2. Introduced registration of three-dimensional trademark and trademark of combination of colors;
3. Adopted provisions on the protection of well-known trademarks;
4. Adopted provisions concerning judicial reviews of administrative decisions;
5. Introduced provisional injunctions;
6. Adopted provisions on the protection of official signs and hallmarks indicating control and warranty without authorization;
7. Allowed a domestic natural person to apply trademark registration;
8. Introduced jointly-owned trademark system;
9. Adopted provisions concerning trademark priority related to goods displayed at an international exhibition;
10. Adopted provisions concerning further cracking down on trademark infringements.

From the comparison of the history of trademark law of the two countries, one can see Japanese trademark jurisprudence is better developed than that of China mainly in the following aspects:

Firstly, Japan enjoys a longer history of trademark jurisprudence. The first trademark ordinance was adopted in 1884 in Japan. 20 years later, China adopted its first regulation related to trademark in 1904.

Secondly, Japanese trademark jurisprudence enjoys more consistency. From the firstly adopted trademark ordinance of 1884 to the latest revision of 1999, one can easily grasp the clue of the changes and trends of trademark ordinance and trademark law: Japan firstly adopted Trademark Ordinance in 1884 with four major revisions, respectively in 1888, 1899, 1909 and 1921; then the current Trademark Law was adopted in 1959 with six major revisions, respectively in 1975, 1992, 1994, 1996, 1998 and 1999. Nevertheless, Chinese trademark jurisprudence doesn’t enjoy such kind of consistency. The first
trademark regulation was promulgated in 1904 by Qin Government, then, two trademark laws was enacted respectively in 1923 and 1930, and then, after the founding of the People’s Republic of China, two trademark ordinances were promulgated respectively in 1950 and 1963. It seems that there are not many relations between these ordinances and laws. Not until 1982 when the current Trademark Law was adopted, the Chinese trademark jurisprudence began to keep some consistency with two revisions of its trademark law namely in 1993 and 2001.

Thirdly, Japanese trademark jurisprudence is more flexible. Regular revisions are made to Japanese trademark law to better correspond to domestic and international changes. Since the first adoption of trademark ordinance in 1884, it had been revised for four times, and after the current trademark law promulgated in 1959, until now, it has been experienced six revisions. Especially from 1990s, the law has been revised every one or two years. Japanese trademark law is always ready to be revised and amended in order to comply with various international treaties and match the ever changing economic situation in Japan. However, in China, after the adoption of current trademark law, only two revisions have been taken place and the frequency of revision is about ten years (1982-1993-2001) which is much lower compared with that of Japanese trademark law. In a country like China which changes everyday, a law without change can’t adapt itself to the development of economy and society.

2.3 Comparison of Trademark Law between Japan and China

2.3.1 Purpose

In Japan, the purpose of the trademark law is to ensure the maintenance of the business reputation of persons using trademarks by protecting trademarks, and thereby to contribute to the development of industry and to protect the interests of consumers. (Section 1)

In china, the purposes of the trademark law is to improve the administration of trademarks, protect the exclusive right to use trademarks, encourage producers and traders to guarantee the quality of their goods and services and maintain the reputation of their trademarks, with a view to protecting the interests of consumers, producers and traders and to promote the development of socialist market economy. (Art.1)
In both countries, one of the objectives of trademark law is to maintain the business reputation of trademark right holders and protect their interests. However, there is a major and fundamental point of departure on the protection of the interests of the consumer. In Japanese Trademark Law, “the reference to the consumer of Section 1 above is expressed as a means to protect the value of the mark and the business associated with the mark, not as an end in itself”\(^1\), as it is in the Chinese trademark system. “The Japanese trademark system is designed to first protect and foster business in order to facilitate economic growth and a by-product of that protection is that the consumer is protected from confusion. The logical conclusion then is that protecting the consumer is not the immediate purpose of the trademark law. Rather, businesses are the primary objective of Japanese trademark protection and consumers are protected only as a by-product of this.”\(^2\)

### 2.3.2 Definition of trademark

**In Japan**, a trademark means characters, figures, signs, three-dimensional shapes or any combination thereof, or any combination thereof and colors. (Section 2)

**In China**, a trademark means any visual sign capable of distinguishing one’s goods or service from those of others, including words, devices, letters, numerals, three-dimensional signs, combinations of colors or any combination of the above elements. (Article 8)

In both countries, olfactory and sound trademarks are not registrable, however, in China, combinations of colors and numerals are registrable as trademarks.

### 2.3.3 Trademark application

Application for a trademark registration in **Japan** (Section 5)

1. Any person desiring a registration of a trademark to be used in respect of goods or services in connection with his business shall submit a request to the Commissioner of the Patent Office with any necessary documents;

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\(^1\) See Kenneth L. Port, The Japanese Jurisprudence

\(^2\) See Kenneth L. Port, The Japanese Jurisprudence
2. Where a person desires a trademark registration regarding a three-dimensional trademark consisting of three-dimensional shapes, the request shall contain a statement to that effect.

3. Where a person desires a trademark registration with respect of a trademark consisting of characters designated by the Commissioner of the Patent Office (hereinafter referred to as “standard characters”), the request shall contain a statement to that effect.

Multiple class system (Section 6)

An application for a trademark registration shall relate to a single trademark and shall designate one or more items of goods or services in respect of which the trademark is to be used.

First-to-file rule (Section 8)

Where two or more trademark applications are filed relating to identical or similar trademarks which are to be used on identical or similar goods or services, they shall be handled in the following ways:
1. If they are filed on different dates, only the earliest applicant may obtain a trademark registration for the trademark concerned.
2. If they are filed on the same date, only one applicant, agreed upon after mutual consultation among all the applicants, may obtain a trademark registration for the trademark. Where no agreement is reached in the consultations or where the report under the preceding Subsection is not made within the time limit, registration of the trademark concerned may be obtained only by one applicant chosen by the drawing of lots.

Division of trademark applications (Section 10)

An applicant for a trademark registration may divide a trademark application designating two or more items of goods or services as designated goods or designated services into one or more new trademark applications provided that the trademark application is pending in examination, trial examination or retrial examination or that a suit against a trial decision to refuse the trademark application is pending in court.

Conversion of trademark applications (Section 11,12)

An application for registration of a collective trademark may be converted into
an application for registration of an individual trademark and vise versa, however, a trademark application may not be converted after the examiner’s decision or the trial decision with respect to the application has become final or conclusive.

An application for registration of a defensive mark may be converted into an application for trademark registration before the examiner’s decision or the trial decision with respect to the application for registration of a defensive mark has become final and conclusive.

Publication of applications (Section 12)

When a trademark application has been filed, it shall be published by JPO in the Trademark Gazette.

Money claim, etc. prior to registration of establishment of trademark right (Section 13bis)

Where any applicant for trademark registration has, after filing of his application, given a warning by showing documents bearing the contents relating to the said applications, he may claim, against person who has used the trademark in his application with respect to the designated goods or services in his application, the payment of money equivalent to his business loss caused by such use made after the warning and before the registration of the establishment of the trademark right concerning the said applications; the right may not be exercised until the establishment of the trademark right.

Application for trademark registration in China

1. Any natural person, legal person or other organization, intending to acquire the exclusive right to use a trademark for the goods produced, manufactured, processed, selected or marketed by him or it, or, intending to acquire the exclusive right to use a service for the service provided by him, may file a application for registration of the trademark with the Trademark Office. (Art.4)
2. Anyone applying for the registration of a three-dimensional sign as a

3 Note: An individual trademark means a trademark application other than an application for registration of a collective trademark.-Section 11 of Japan Trademark Law
trademark, the combinations of color as a trademark, a collective mark or a certification mark, shall make a statement to that effect in his application (Rule 13)⁴

Single-class system (Art.20)

Where any applicant for the registration of a trademark intends to apply the same trademark for goods or services in different classes, an application for registration shall be filed in respect of each class of the prescribed classification of goods or services.

First-to-file rule (Art.29 and rule 19)

If two or more applicants apply for the registration of identical or similar trademarks for the same or similar goods or services on different dates, only the earliest applicant may obtain a trademark registration for the trademark concerned; if the applications are filed on the same date, the applicant who uses the concerned trademark at a earliest date may obtain the registration for the trademark concerned. In this case, the applicants shall submit the evidence of prior use of such trademarks before applying for registration. Where the use started on the same day or none is yet in use, the applicants may, conduct consultations on their own and submit a written agreement to the Trademark Office; if they are not willing to conduct consultations or they fail to reach an agreement through consultations, the Trademark Office shall notify the applicants to determine one of them by drawing lots and refuse the applications for registration filed by others. Where an applicant fails to participate in the drawing of lots, the application filed by such an applicant shall be deemed abandoned, and the Trademark Office shall notify the said applicant in writing.

There is a huge difference between China and Japan concerning the trademark application system.

1. Both countries employ Nice Classification system, however, in Japan, an applicant may designate more than one class of goods or services in one trademark application (multiple-class system). In China, one application is

⁴Note: Indications marked by “rule” with a number in round bracket in this report are provisions of Regulations for the Implementation of the Trademark Law of People’s Republic of China
limited to only one class of goods or services (single-class system).

2. In Japan, stemmed from a multi-class system, an application designated more than one classes of goods or services may be divided into several new applications (system of diversion of trademark application). China is absent of this system due to its single-class system.

3. In Japan, an application for registration for an individual trademark and an application for registration of collective trademark may be converted into each other and an application for registration of defensive trademark may also be converted to an application for ordinary trademark registration. There is no trademark application conversion system in Chinese Trademark Law.

4. In Japan, a person may file an application for the registration of a trademark consisting of standard characters. In China, this kind of system doesn’t exist.

5. In Japan, when a trademark has been filed, it will be published for public inspection. In China, only preliminarily approved trademarks are published.

6. Both countries employ the first-to-file rule. However, when determining which applicant may obtain the registration of the trademark filed on the same date, Chinese Trademark Law considers the use of the trademark as a determining element, while Japanese Trademark Law doesn’t.

2.3.4 Trademark examination

Both countries adopt a principle of trademark examination.

Japan

The procedure of filing a trademark registration is illustrated as chart 3.
Examiner’s decision of refusal (Section 15)

A trademark is to be refused if it falls under any of the following paragraphs:
A) The trademark in the trademark application is not registrable in accordance with the relevant provisions of the trademark law;
B) The trademark in the trademark application is not registrable in accordance with a treaty;
C) The trademark application does not comply with 6(1) or (2), which states the unity in application.
Notification of reasons for refusal (Section 15bis)

When the examiner intends to render a decision of refusal, he shall notify the applicant for the trademark registration of the reason for refusal and give him an opportunity to submit a statement of his arguments, designating an adequate time limit.

Examiner’s decision that a trademark is to be registered (Section 16)

If the examiner finds no reason for refusing a trademark application, he will render a decision that a trademark is to be registered.

Declining of amendments (Section 16bis and 17bis)

Where an amendment to the designated goods or designated services stated in the request or the trademark for which a registration is sought would change the gist thereof, the examiner shall decline the amendment by a ruling. A trial against the ruling of may be demanded by the applicant.

China

The procedure of filing a trademark registration is illustrated as chart 4:\n
\[\text{chart 4}\]

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Examiner’s decision of refusal (Art.28,29,31)

A) The trademark in an application is not in conformity with the relevant provisions of trademark law;
B) The trademark in an application which conflicts with the prior trademark application or registration;
C) The trademark in an application infringes upon another party’s prior rights other than trademark rights;
D) An application for registration filed in an unfair means of a trademark of another party that has already been in use and has certain influence.

If an application for trademark registration is failed only on part of the designated goods or services, a decision of partly refusal shall be issued by the examiner.

Examiner’s decision that a trademark is to be registered (Art.27)

Applications which are in conformity with the relevant provisions of the trademark law are preliminarily approved and published in the Trademark Gazette.

In Chinese examination system, an applicant hasn’t given the opportunity to present arguments and make an amendment concerning his application to be refused. The procedure of issuing a notification of reason for refusal is absent in China.

2.3.5 Trademark right

Japan

Registration of establishment of trademark right

Trademark rights are acquired through registration at the Patent Office. (Section 18)

Legal effects of trademark rights

The owner of a trademark right shall have the exclusive right to use his own registered trademark for the designated goods or services. (Section 25)
Scope of registered trademark (Section 27)

1. The scope of a registered trademark and the designated goods or services shall be decided on the basis of the trademark stated in the request.
2. A request for interpretation may be made to the Patent Office with respect to the effects of a trademark right; to respond to such a request, the Commissioner of the Patent Office shall designate three trial examiners to give the requested interpretation.

Term of registration of a trademark (Section 19)

1. The term of a trademark registration expires ten years from the date on which its registration was put into effect. The term of a trademark registration may be renewed.
2. A request for registration of renewal shall be made within six months prior to the date of expiration of the term; if the owner of the trademark right is unable to make a request for registration of the renewal within that time limit, a grace period of six months shall be allowed; if the owner of the trademark right is still unable to make a request for registration of the renewal within the grace period due to reasons outside his control, he may make such request within 14 days (if he is a resident abroad, two months) from the date on which the reasons ceased to be applicable but not later than six months following the expiration of the said time limit.

License

An owner of a trademark right may grant a right of exclusive use or non-exclusive use with respect to his trademark right.

Transfer of trademark right (Section 24)

1. A trademark right may be transferred:
   A) A trademark right may be transferred separately for each item if there are two or more items of the designated goods or services;
   B) If, as a result of the transfer of a trademark right, the trademark right comes to belong to a different person, and the use of such registered trademark by the owner of a trademark right or owner of a right of exclusive use or of non-exclusive use relating to one registered trademark for its designated goods or services is likely to cause
damage to business interests of the owner of a trademark right or owner of a right of exclusive use relating to the other registered trademark, the owner of a trademark right or owner of a right of exclusive use relating to the other registered trademark may request the owner of a trademark right or owner of a right of exclusive use or of non-exclusive use relating to the one registered trademark to mark a suitable indication in the use thereof so as to prevent any confusion between the goods or services of the businesses.

Registration fee (Section 41)

A) The registration fee is due to be paid within 30 days (may be extended upon request by a period not exceeding 30 days) from the date of dispatch of a copy of the decision of registration. The payment of the registration can be made either in a lump sum or in installment.

China

Registration of establishment of trademark right

A registered trademark refers to a trademark right that has been approved and registered by the Trademark Office. (Art.3)

Legal effects of trademark rights (Art.3)

The owner of a trademark right shall have the exclusive right to use his own registered trademark for the designated goods or services.

Scope of registered trademark (Art 51)

The exclusive right to use a registered trademark is limited to the trademark which has been approved for registration and to the goods or services in respect of which the use of the trademark has been approved.

Trademark renewal (Art 37)

The period of validity of a registered trademark shall be ten years, counted from the date of approval of the registration. A trademark shall be renewed indefinitely.
Trademark licensing (Art.40)

An owner of a trademark right may grant a license to a third party with respect to his trademark right.

Trademark assignment (Art.39 and Rule 25, 26)

1. Identical or similar trademarks on the same or similar goods and services shall be assigned in a lump;
2. An assignment which may produce misleading, confusing or other adverse effects shall be refused.

Concerning the trademark right, the two systems have much in common. In both countries, the establishment of a trademark right is registration-based; the owner of a registered trademark enjoys the exclusive right to use the registered trademark on the designated goods or services; the owner of a registered trademark has a right to grant a license with respect to his trademark right or transfer the trademark right. However, some differences exist in the following aspects:

1. In Japan, a system of interpretation of the scope of trademark right is established to clarify the effects of trademark right as well as the designated goods or services with respect of the trademark. In China, although the Trademark Office also conducts such interpretations upon requests, the Trademark Law keeps silent on this point.
2. The system of restoration of a trademark right is absent in Chinese trademark system. This system makes it possible for an owner of an extinguished trademark right to restore his trademark right under certain circumstances.
3. Concerning the likely confusion resulting from a transfer of trademark right, Japanese Trademark Law allows the party likely to be damaged by the transfer to demand for an indication to prevent such a confusion. However, in China, transfer likely to cause confusion will simply be refused.
4. In Japan, the trademark registration fee may be paid in installment, while in China, the registration fee can only be paid in a lump sum.

2.3.6 Opposition system

Japan
1. Anyone may file an opposition to trademark registration within two months from the publication of the Gazette containing the trademark. (Section 43bis)

2. Once an opposition against a registration is filed, a collegial body of three to five trial examiners will be appointed to conduct an examination on the opposition. (Section 43ter and 56)

3. When the trial examiner-in-chief intends to render a ruling to revoke, he shall notify the owner of the trademark right and the intervener of the reasons for the revocation of the trademark registration and give them an opportunity to submit a statement of their argument, designating an adequate period of time. (40 days, or 3 months for foreigners). (Section 43duodecies)

4. The collegial body shall make a ruling to maintain or revoke the trademark registration concerned in the opposition and the ruling of revocation of the trademark right is appealable to the Tokyo High court. (Section 63)

China

1. Any person may, within three months from the date of the preliminary publication, file an opposition against a trademark preliminarily approved; if no opposition has been filed at the expiration date, the trademark registration shall go into effect and be published on Trademark Gazette;(Art. 30)

2. If an opposition is filed, CTMO shall hear both the opponent and the opposed state facts and grounds and make a ruling to maintain or revoke the trademark concerned in the opposition. (Art. 33)

3. Any interested party dissatisfied with the ruling on opposition, may apply for a review with Trademark Review and Adjudication Board. (TRAB) (Art. 33)

The opposition system between the two countries exists an essential difference. Japan adopted a post-grant opposition system in 1996, when it made a big revision of trademark law. Nevertheless, China sticks to a pre-grant opposition system. Except for this major difference between the two opposition systems, there are some departures concerning the opposition handling practice:

1. In Japan, an opposition is handled by an collegial body of trial examiners appointed by the Commissioner of JPO; in China, an opposition is handled by two Opposition Divisions (each division constitutes 7 people) of the
2. In Japan, any person who has a right or an interest with respect to the trademark may intervene in the trial examination, in order to assist the owner of the trademark right until the ruling on the opposition. This system of intervention of opposition is absent in China.

3. In Japan, even the grounds that have not been pleaded may be examined, however, in China, this kind of ex officio examination of grounds is normally not conducted.

4. In Japan, when a ruling of revocation of the registered trademark is to be rendered, the owner of the trademark right is given an opportunity to submit his arguments. In China, such an opportunity is not provided.

5. In Japan, only the ruling of revocation of the registered trademark is appealable to court. The interested party can only demands a trial of invalidation or cancellation of the ruling of maintenance of the registered trademark. In China, both the ruling of revocation and the ruling of maintenance of the preliminarily approved trademark are appealable to TRAB.

2.3.7 Trial system

Japan

Trials may be demanded under the following circumstances:

1. Trials against the examiner’s decision of refusal
2. Trials against the ruling to decline amendment
3. Trials for the invalidation of a trademark registration
   A) A trial may be demanded for the invalidation of the trademark registration, when a trademark registration is in violation of Chapter 1.2(1), Chapter 2(1), Chapter 5.1, Chapter 5.2, Chapter 6.3(1) (viii), Section 46(1) (ii), (iii), (iv) and (v).
   B) A trial may be demanded within 5 years from the registration of the establishment of the trademark right (Section 47). Under certain circumstances, even after the extinguishment of a trademark right, a trial may be demanded. (Section 46(2))
4. Trials for the cancellation of a trademark registration
   A) Trial for the cancellation of a registered trademark not in use
   B) Trial for the cancellation of a trademark registration based on illegal use by owner of a trademark right (Section 51(1))
   C) Trial for the cancellation of a trademark registration based on intentional unfair competition by the owner of the trademark right (Section 52bis(1))
D) Trial for the cancellation of a trademark registration based on intentional use of a right of exclusive or non-exclusive use by owner (Section 53(1))
E) Trial for cancellation of a trademark registration based on piracy by an agent, etc (Section 53bis)

China

Trademark Review and Adjudication Board (TRAB) is established under the administrative authority for industry and commerce to handle trademark disputes. (Art. 2)

The following trademark disputes shall be handled by TRAB:
A) Review on trademark refusal decisions; (Art.32)
B) Review on trademark opposition rulings; (Art.33)
C) Cancellation of a registered trademark in violation of Art.10,11 and 12 at the request of anyone;(Art.41)
D) Cancellation of a registered trademark in violation of Art.13,15,16 and 31 at the request of the owner of the trademark or any interested party within five years from the date of registration. As to a well-known trademark, the owner of the mark is not abided by the five-year time limitation if a registration by another one was obtained in bad faith; (Art.41)
E) Cancellation of a registered trademark within five years from the date of its registration, if a prior trademark owner believes that this later registered trademark is identical or similar with his trademark in respect of the same or similar goods; (Art.41)
F) Review on cancellation decisions made by Trademark Office; (Art.41,)

The trial system of Japan is correspondent to review system of China. The most significant difference lies in that in Japan, trial examiners of Patent Office conduct trademark trials. In China, on the other hand, trademark review is conducted by Trademark Review and Adjudication Board other than Trademark Office.

2.3.8 Defensive mark registration system

In Japan, the defensive mark system allows the owner of a registered trademark to register a mark that is identical with the registered trademark and concerns different designated goods or services, where the use of this trademark by other parties might cause confusion as to the source of the goods or services, in order to eliminate the use of the identical mark by other parties.
The only person entitled to register a defensive mark is the owner of the principal registered trademark. (Section 66)

Chinese trademark system doesn’t include the defensive mark registration system.

2.3.9 International trademark registration system

Japan is a party to Protocol of the Madrid Agreement and the trademark applications for international registration is administered by this agreement.

China is a party to both Madrid Agreement and Protocol of the Madrid Agreement. The trademark applications for international registration are administered by these two agreements.

III. Comparison of Trademark Examination System between Japan and China

3.1. Personnel system

3.1.1 Work volume of examiners

By the FY2004, JPO has 148 trademark examiners, among which about 120 examiners conduct trademark examinations. The number of applications for trademark registration and registered trademarks in FY2004 is respectively 128,843 and 95,866. The average volume of work for each examiner per year is approximately 1074. At present, CTMO has 144 trademark examiners. In 2004, the number of applications for trademark registration and registered trademarks reached 588,000 and 267,000 respectively. In order to fulfill his norm, one examiner has to complete the examination of almost 5000 trademark applications in one year.

3.1.2 Qualification of examiners

Section 17 of Japanese Trademark Law provides that Section 47(2) of Patent Law, which is a provision on the qualification of patent examiners shall apply mutatis mutandis to the trademark examiners.
To become a trademark examiner, one has to experience a long process with training and an examination. Table 4 provided by JPO shows in detail how a person becomes an examiner.

Table 4

<table>
<thead>
<tr>
<th>Year</th>
<th>Position</th>
<th>Training Programs to Be Taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st year of appointment</td>
<td>Unit Official</td>
<td>Training for New Entrants (to gain the ethos and knowledge for national public service and the basic knowledge of industrial property administration required by Patent Office staff)</td>
</tr>
<tr>
<td>2nd year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3rd year</td>
<td></td>
<td>Training for mid-level officials (to improve operational skills required by mid-level officials, such as planning and interpreting, and to gain knowledge of industrial property rights-related laws and intellectual property measures)</td>
</tr>
<tr>
<td>4th year</td>
<td></td>
<td>Selection Examination for Assistant Examiners 1. The examination will assess the knowledge, comprehension, applied skills and judgment required to carry out the duties of an Assistant Examiner. 2. The examination will cover the following two areas, and will be taken in both written and oral forms: (1) Questions on patent administration, and laws, politics, economics and social aspects related to</td>
</tr>
<tr>
<td>Year</td>
<td>Role</td>
<td>Training Course for Assistant Examiners</td>
</tr>
<tr>
<td>----------</td>
<td>-----------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>5th</td>
<td>Acting Assistant</td>
<td>(to learn the basic role of an Examiner and the fundamental knowledge for examination, i.e. background knowledge of law in general, elementary specialist knowledge of industrial property-related laws, conventions and examination practices)</td>
</tr>
<tr>
<td></td>
<td>Trademark Examiner</td>
<td></td>
</tr>
<tr>
<td>Assistant</td>
<td>Trademark Examiner</td>
<td></td>
</tr>
<tr>
<td>6th</td>
<td>1. Training Course for Examiners (1)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>To gain the specialist knowledge of industrial property rights-related laws, conventions and examination practices, plus the practical knowledge and ability to resolve cases, that are required by an examiner at this stage.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Training Course for Examiners (2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>To improve the proficiency level of one’s performance through exercises in examination practice, and to gain broader perspective and insight as an examiner</td>
<td></td>
</tr>
</tbody>
</table>
A trademark examiner may be appointed a managing examiner, an associate managing examiner, a principle examiner or a senior examiner, by the Commissioner of JPO.

In China, to become a trademark examiner is comparatively easier. At first, a person has to pass the examination for becoming a civil servant and the entrance examination to SAIC. Then some of the qualified people of the examination will be assigned to the trademark examination divisions of CTMO and automatically become examiners. The newly appointed examiners will start trademark examination work soon after their appointment, being instructed by an experienced examiner for half a year. After that, they become “real” examiners.

3.1.3 Training for examiners

Training system of JPO

Background

In July 2002, Japanese government formulated the Intellectual Property Policy Outline which set the goal of making Japan an “intellectual property-based nation”. According to the Intellectual Property Policy Outline, to develop IP human resources is the most basic and key strategy in order to achieve this goal. In October, 2004, JPO amended the Basic Policies for Training, which was determined as early as 1997, to response to the national IP strategy as well as the great changes and development surrounding intellectual property.

Training organization system

The Personnel Division under the General Affairs Department of JPO

The Personnel Division under the General Affairs Department is responsible for the training implementation for JPO staff. Its main responsibility is to design training policies, such as Basic Training Policy, Training Plan, Training implementation Outline, etc. The specific training work is shared by
the Training Planning Office and Training Section which is established under the Personnel Division.

The National Center for Intellectual Property Information and Training (NCIPI)

The National Center for Intellectual Property Information and Training (NCIPI) is an independent administrative institution responsible for conducting the Training Plan. NCIPI designs the Annual Training Implementation Plan, Main Points for Executive Training and Rules for Implementation of Training for JPO Staff as well as conducts the training programs, including choosing instructors and trainers for training courses, organizing and coordinating the seminars, gathering and reviewing the suggestions and opinions from trainers and trainees, certificating the trainees, evaluating the training program and finally submitting the summary report on training to JPO.

The JPO Training Committee (JPOTC)
The main duties of the JPO Training Committee is to gather and collect the demands on training from various departments of JPO, put forward suggestions to the Training Planning Section, plan training projects, work out annual training plan, recommend the instructors and trainees and involve the discussion concerning the Training Plan, the Training Implementation Plan, etc.

Training plan for trademark examiners

According to the Training Plan 2004 of JPO and Year 2005 Training Delivery Plan of NCIPI, the following Training courses have been or are going to be provided to the trademark examiners:

Training courses for examining staffs

Training course for assistant examiners (from Apr.1-June 30, 2005)
This is aimed at newly appointed acting assistant examiners, to learn the basic role of an examiner and the fundamental knowledge for trademark examinations, i.e. background knowledge of law in general and elementary specialist knowledge of IPR-related laws, treaties and examination practices.

Training course for examiners (1) (August 29-November 10)
This is aimed at gaining the specialist knowledge of IPR-related laws, treaties and examination practices as well as the practical knowledge and ability to handle cases, which are required for an examiner at this stage.

Training course for examiners (2) (January 16-February 16)
This is aimed at increasing the proficiency of trademark examination practice as well as providing a broad perspective and insight as an examiner.

Training course for senior examiners (March 1-March 10)
This is aimed at those with approximately 10 years of service after appointment as an examiner, to impart the leadership required as a senior examiner as well as the ability to solve the problems that one might face during professional practice.

Training course for professional practice
This is aimed at gaining a broader knowledge of trademarks, goods and services and commercial transactions, as well as up-to-date information of social and economic trends.

Placement training

Placement training course for assistant examiners (May-June)
This is aimed at acting assistant examiners and is designed to develop further understanding of the current status of the management and utilization of research and development as well as industrial property.

Placement training course for examiners (period during appointment as assistant examiner)
This is aimed at assistant examiners and is designed to improve expertise as an examiner through learning first-hand how intellectual property systems are utilized in companies, etc.

Self-training
This is aimed at providing support for training that is carried out on the examiners’ own initiative out of working hours for gaining the up-to-date knowledge required for examination duties relating to laws, technology and practices, etc.

Language tuition courses
Oral English courses
This is aimed at providing the examiners with language skills sufficient to deal in English by telephone with International Bureau (level 1), to conduct exchanges with foreign examiners and to be a trainer for trainees from developing countries (level 2) and the level 3 is aimed at training candidate staff who are to be assigned overseas.

Written English courses
This is aimed at providing language skills sufficient to deal with overseas documents in English.

International meetings
This is aimed at provide language ability to participate in and manage international meetings.

Intensive language training courses (private lessons) (approx. 3 months)
This is aimed at staffs who are considered to require special language skills to carry out their work, i.e. staffs anticipating overseas appointment (long-term and short-term), staffs planned to attend international meetings, staffs responsible for foreign trainees, etc. These staffs are sent to an external language institution for a certain period of time.

Specialist training (Madrid Protocol examiners) (June 2005-March 2006)
This is aimed at those who are engaged in Madrid Protocol Examination or who will be in the future, to develop writing skills to be able to prepare drafts in English.

Legal training course
This is aimed at all staffs, to give them the up-to-date legal knowledge required for carrying out duties relating to intellectual property law, peripheral and other laws as well as systems in other countries. The following are compulsory: Civil Law, Civil Procedure Code, Copyright Law and Unfair Competition Law.

Training course for mental health (twice yearly)
This is provided for all staffs, aimed at learning job management with regard to mental health considerations.
Life-planning seminar (February 2006)
This is aimed at middle-aged staffs, covering issues relevant to their life after retirement; preparation for retirement (retirement benefits, pension system, tax, reappointment system, etc.) and formulating a lifelong plan for living (health management, domestic finances plan, aims in life, etc.)

Training and seminars run by other government ministries and agencies or related bodies
This is aimed at all staffs who, in order to gain and further develop their expertise of professional practice and duties, attend training programs and seminars organized by the National Personnel Authority, other government ministries and agencies or related bodies.

Others
Any other training deemed to be necessary by the Commissioner of the Patent Office.

Current training situation of CTMO

The Department of Personnel and Education of SAIC is responsible for training of SAIC staff and staff of local AICs. The Training Center of SAIC, which is an independent institution, is an organization who implements the training plan formulated by the Department of Personnel and Education. In spite of these two training organizations under SAIC, there is no systematic training plan designed for trademark examiners. Sometimes, the examiners were dispatched overseas to perform some training programs or to attend international seminars. However, these activities depend on the plan of foreign countries or international organizations, instead of the plan of SAIC or CTMO. On some occasions, the examiners also attend some domestic training courses or seminars. But most of the activities are provisionally-decided and not anticipatory. The self-training of the examiners is not encouraged by SAIC or CTMO, without financial support or any other kind of support.

3.2 Organization of divisions related to trademark examination

3.2.1 Japan Patent Office

Organization of Japan Patent Office

The Japan Patent Office (JPO) is an organization under Ministry of Economy,
Trade and Industry of Japan. The organization structure is illustrated as chart 5.  

\[\text{chart 5}\]  

\[\text{From www.jpo.go.jp/shoukai-e/index.htm}\]
Divisions related to trademark examination

The divisions concerning trademark matters, including Trademark Division, Chemicals Division, Foodstuffs Division, Machinery Division, General Merchandise Division, Textile Division, Service Division and International Trademark Application Division, are established under the Trademark, Design and Administrative Affairs Department of JPO.

Trademark Division

Various job titles and sections have been set up under the Trademark Division.

Director of Trademark Examination
Responsible for items specifically related to trademark examination, as well as taking part in planning activities

Specialist for Electronic Data Management
Duties concerning liaisons and coordination related to paperless system operations

Associate Managing Specialist for Formality Examination
In charge of quality control of Trademark Gazette and giving instructions on formality examination

Senior Specialist for Formality Examination
In charge of quality control of Trademark Gazette, along with duties relating to the standards for formality trademark examination, including classification of goods and services

Specialist for Formality Examination
Taking charge of quality control of Trademark Gazette

Specialist for Trademark Planning
Making projects and planning on special matters concerning trademark examination within the jurisdiction of the Division

Examiner for Trademark Reclassification Examination
Undertaking the examination of trademark reclassification applications

Administrative Affairs Section
Duties concerning the administrative affairs of the Division and the Director of Trademark Examination, etc.

Research Section
Research units
Conducting of research on the streamlining and computerization of trademark examination system;
Conducting of research on examination methods for foreign trademarks;
Conducting of research on matters required for trademark examination in addition to the tasks listed above (except tasks within the jurisdiction of others);

Preliminary search unit
Undertaking the outsourcing of preliminary trademark searches and inspecting of the search results, etc.

Statistics unit
Tasks concerning the statistics of trademarks

T-term (trademark facet term) Management Section
Conducting research, management and research on T-term, etc.

International Classification Management Section
In charge of the projects, research and planning of the international classification;
Formulation of examination standards on trademarks as well as on goods and services for the purpose of trademark registration and the formulation of precedents of trademark examinations, etc.

Trademark Examination Standard Office
In charge of the formulation, research and popularization of examination standards on trademarks as well as on goods and services for the purpose of trademark registration and the formulation of precedents of trademark examinations (including foreign examination standards and precedents, except the duties within the jurisdiction of others)

International Trademark Classification Management Office
undertaking the adjustment of trademark examination related matters concerning designated goods and/or services for trademark registration and classification of goods and services for trademark registration as well as other matters necessary for its smooth operation (except the tasks within the jurisdiction of others)
Trademark Policy Planning Office  
In charge of the research, planning and projects of basic matters concerning trademark system

Electronic Trademark Examination System Planning Office  
Undertaking the planning, projects and adjustment of computerization system for trademark examination process and trademark examination related process as well as undertaking the matters related to electronic searching of trademark examination documents (except the tasks within the jurisdiction of others)

Trademark Reclassification Examination Office  
Undertaking the adjustment of matters related to the examination of trademark reclassification application

Divisions which conduct trademark examinations are established according to different items of goods or services with respect of the registration of trademarks, namely, Chemicals Division, Foodstuffs Division, Machinery Division, General Merchandise Division, Textile Division, Service Division. In addition, the International Trademark Application Division is established to deal with matters concerning international trademark registrations.

3.2.2 China Trademark Office

Organization of China Trademark Office

The Trademark Office is established under the State Administration for Industry and Commerce of PRC. The organization structure is illustrated as chart 6:

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Trademark examination divisions

The Trademark Office consists of 16 divisions, among which, 7 divisions are engaged in trademark examinations.
Application Acceptance Division
Receiving trademark applications and conducting trademark preliminary examinations, including classification of goods and services intended to be used on trademarks

Examination Division I, II, III, IV
Undertaking substantive examination of trademarks from class 1 to class 34 (Nice Classification)

Examination Division V
Undertaking substantive examination of service marks from class 35 to class 45 (Nice Classification) as well as certification marks and collective marks

International Registration Division
Receiving and handling international applications through Madrid system

The significant difference of the organization of divisions related to trademark examination between the two Offices lies in that, in JPO, in addition to the trademark examination divisions, which conduct exact trademark examination, another important division named Trademark Division is set up to manage affairs relating to planning, projects and researches on trademark examination and examination system. Under this division, four sections and some specialists are established and arranged to fulfill its functions. Besides, some special offices are set up to assist the specific work of the correspondent sections under the division. The Trademark Division is a comprehend combination of sections, units, specialists and offices, which ensure the smooth operation of the Division. However, there is no such a division set up under CTMO, which means in organization, no one is in charge of the basic and important work such as research and planning of trademark examination and trademark examination system. CTMO, at present, concentrates itself on the concrete trademark examination work, the improvement of whole system of trademark examination is not emphasized.

3.3 Special forms of trademark examination

3.3.1 Examination through interview
On some occasions, the trademark examiners of JPO conduct trademark examinations through interview. The intention is to facilitate the
communication between examiners and applicants. According to the Trademark Examination Manual of JPO, the following cases may be conducted an examination through interview:

A) “When it is difficult to understand the designated goods (designated service), and a direct explanation from the applicant will promote the understanding of the content

B) When the description given for the designated goods (designated service) is inappropriate or unclear, and an amendment can be easily made.

C) Where it is clear that the application falls under the conditions stipulated in Section 4(1)(xvi) of the Japanese Trademark Law (JTL), and by reducing the scope of the designated goods (designated service) the reasons for refusal can be eliminated.

D) When a notification of reasons for refusal has been sent under the conditions stipulated in Section 4(1) (xi) of the JTL, and the applicant makes an amendment in response, but the designated goods (designated service) still infringes upon another trademark. However, by reducing the scope of the designated goods (designated service), the reasons for refusal can be eliminated.

However, except for A) and B), in principle examination through interview will be applied only to those trademark applications where no other reasons for refusal exist, and making the necessary amendment will qualify the application for a decision of registration.

1. Effect

A) The examiner may contact the applicant or his representative by interview, telephone or other means. If the examiner think it is necessary, an Interview Record or Communication Record which indicates the content of interaction with them may be made as an internal record.

B) The examination through interview is conducted under the assumption that the contents of an agreement between the examiner and the applicant will be mutually executed.

C) When the applicant fails to conduct procedure after passing the proceeding period on which the examiner and the applicant have agreed at the examination through interview, the examiner shall prepare and send a notification of reasons for refusal etc. after notifying it”

In China, it is the formality examiners who determine whether the designated goods or services with respect to a trademark registration are qualified or not. Normally, if the examiner thinks it is hard to understand an indication of goods or services with respect to a trademark registration, an invitation for submitting a specification or an invitation for amendment for the concerned goods or services will be rendered to the applicant or his agent. As to an application in which the description of designation of goods or services is unclear, the examiner will issue an invitation for amendment. The applicants are required to submit the specification and amendment in writing within a designated time limit. During this specified period, the applicant or the agent sometimes calls the examiner for advice for how to make an amendment or what kind of specification will be satisfied, etc. However, the examiner’s response to the questions is not binding either to the applicant nor to the examiner himself. Sometimes, an examiner will take initiative to contact an applicant or his agent, for example, when he encounter a long list of goods or services and it needs much time to clarify, in order to conduct a more efficient and accurate examination, he may arrange an interview with the applicant or his agent. In theory, both of the examiner and the applicant are supposed to be abided by the oral agreement reached between them on the concerned indication of goods or services. However, in case of any disputes arising from it, no written records are available for reference and proof. In China, this kind of examination conducted through communications is only a practice, not officially regulated by CTMO.

3.3.2 Accelerated examination system

Japan Patent Office introduced the accelerated examination system in 1997 to protect the applicant’s interest by meeting the urgent need of granting a trademark right.

“Examination Processing Period
The JPO has been endeavoring to steadily reduce the trademark examination processing period through promoting computerization and utilizing private organizations by outsourcing searches. In particular, the average first-action period (FA period) for 2003 was around 7 months, which is 2 months shorter than that in 2002.”9

“Accelerated examination shall apply to trademark applications that satisfy the following two requirements.

A) The applicant himself/herself or licensee has already started to use the trademark in the application or made preparation for using it to a significant degree for the designated goods or services (or some goods or services thereof).

B) There is an urgent need for registering a trademark. Reasons for the "urgent need for registering a trademark" are followings:

- It is obvious that a third party uses or has made preparation to a significant degree for using, without the consent of the applicant or licensee, the trademark in the application or a trademark that is similar to it, in respect of the designated goods or services for which the applicant or licensee uses or has made preparation for using the trademark or goods or services similar to those.
- The applicant has received a warning from a third party on the use of the trademark in the application.
- The applicant has been requested to license the trademark in the application by a third party.
- Trademark applications have also been filed with patent offices or governmental agencies other than the JPO.
- Other cases where urgency is recognized.”

China doesn’t have accelerated trademark examination system.

3.4 Information technology

3.4.1 Electronic trademark system

JPO is a pioneer of promoting paperless project in the world. It started receiving online applications for patents and utility models in 1990 and online applications for designs and trademarks in 2000. By the end of 2004, 83% of trademarks are filed electronically. At the present time, the electronic application is conducted through ISDN circuit. It is estimated that by the end of FY2005\(^{11}\), the electronic application will be conducted through the internet and electronic payment of fee will be allowable.

The history of paperless system of JPO is illustrated as chart 9.

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\(^{11}\)Note: FY 2005 refers to a fiscal year from April 1, 2005 to March 31, 2006.
Chart 9

History of the Paperless System

- **July 1984**: Paperless Project inauguration
- **March 1985**: Patent document search system (F-term)
- **October 1986**: Acceptance of online filing for patents and utility models
- **December 1990**: Cash payment system
- **1993**: Peripheral examination assistance system (electronic drafting), including online demand and online inspection
- **October 1996**: New registration system
- **April 1997**: Acceptance of online filing from PCs
- **April 1998**: Exchange of electronic data of priority documents with the EPO
- **March 1999**: Industrial Property Digital Library (IPDL)
- **January 2000**: Paperless System for designs, trademarks, PCT (national phase) and appeals
- **January 2001**: Integration of terminals for filing applications into PCs (abolition of dedicated terminals)
- **July 2001**: Exchange of electronic data of priority documents with the Korean Industrial Property Office (KIPO)
- **July 2003**: Internationally Standardized Formats (XML formats) for patents and utility models application documents
CTMO started the office automation system in 1990s which proceeds with different phases. In 1994, Phase I of the automation system was completed, realizing the electronic searching of trademarks. Phase II of the automation system was put into operation on a trial basis at the end of 2001, in which a standard trademark management database had been set up and a paperless trademark examination system had been established. In 2003, the phase III of the automation system was discussed by CTMO and Information Center of SAIC, with an aim to realize online trademark application, online trademark publication, on line trademark searching and online payment of fee.

3.4.2 Information provision

Japan Patent Office

Industrial property digital library (IPDL)
(http://www.ipdl.ncipi.go.jp/homepg-e.ipdl)

JPO started the IPDL on its website in 1999. In the IPDL, users can access and search approximately 53 million industrial property-related documents such as gazettes regarding patents, trademarks etc. that have been published since 1885. The information concerning the legal status of applications, registrations and appeals are also offered. English services are available for foreign users.

In addition to internet service, JPO has installed terminals at the National Center of Industrial Property Information (NCIPI), regional conference rooms of the NCIPI, intellectual property center at each prefecture, etc. to provide the high-speed and high-definition service through dedicated lines for further convenience of the users.

In 2004, the number of access of to the IPDL per month is approximately 4.5 million. The mostly frequently used service is the search for patent, utility model and trademarks, which occupies 80% of the total usage of the IPDL.

The website of the JPO (http://www.jpo.go.jp/index.htm)
The website of the JPO transmits various industrial property information and the IPDL. The website includes five main categories:

“Overview of rights
Information on the industrial property system and the history of the system

Right obtainment procedures
Information on the procedures and operations of applications, formality checks, substantive examinations, trials and appeals and registrations
Right obtainment procedures

Introduction to the JPO
Information on the organization and employment of officials at the JPO

Activities JPO
Information on press release, industrial policies, amendment of laws, international activities and cooperation, etc.

Reference room
Information on the IPDL, council meeting reports, laws and orders, examination standards, statistical reports, etc.”

National Center for Industrial Property Information (NCIPI)
(http://www.ncipi.go.jp/english/index/.html)

The National Center for Industrial Property Information (NCIPI), an independent administrative institution, was established in 2001. The Center provides comprehensive information on industrial property, mainly includes:

Gazette retrieval
About 150 retrieval equipment are installed in the JPO building, where the IPDL are provided for retrieval free of charge. The same equipment is installed in the regional rooms in 8 locations. The number of users in FY 2003 was about 85,000.

Examination and trial material supply

The NCIPI collects various technical documents, such as books, etc. to be used as materials for examinations and appeal examinations by the JPO. These documents are also offered for reference by the general public.

Industrial property consultation
A consultation corner is always available in JPO building for general consultation on the application procedure for acquisition of industrial property and other issues concerning industrial property. Consultations are also welcome through telephone, email and correspondence.

Private sector information service
The JPO not only provides, free of charge, industrial property information services through the IPDL to satisfy standard public needs, but also provides high-value added services through private sectors to meet the public’s diverse needs.

China Trademark Office
The website of CTMO (http://www.ctmo.gov.cn or http://www.sbj.saic.gov.cn)

The CTMO opened its website in 2003 both in Chinese and English. The website provides mainly the following information: organization, laws and regulations, trademark application (information on procedure of trademark application and download service of trademark application forms), Gazette (releasing the twelve latest Trademark Gazette), enforcement cases, statistics, news and international exchanges.

Tongda Trademark Service Center (TDTM)
(http://www.tdtm.com.cn)

The Tongda Trademark Service Center (TDTM), which was established in 1993, is an undertaking subordinated to the CTMO. It provides administrative assistance for the smooth operation of CTMO and TRAB. The TDTM website transmits trademark information, mainly on trademark application formalities and trademark searching. Consultation on application procedure of trademark registration and service of trademark searching are also available on the booths located on the first floor of the CTMO building.
The gap between JPO and CTMO in information technology is tremendous. JPO has already realized the online trademark application, which is a target for phase III automation system of CTMO. Electronic application filing through the internet will be available in JPO by the end of FY2005. Also, JPO has formed an information dissemination network consisting of JPO website, IPDL, NCIPI and private sector information service, etc. Users can easily access to various information free of charge or at a marginal price. However, information available on CTMO and TDTM website is quite limited and many services provided TDTM are paid services.

3.5 Standards for trademark examination

3.5.1 Examination Guidelines for Trademarks

Both Japan and China adopt the principle of substantive examination of trademark application by examiners. This principle allows the examiner to make an independent judgment on the registrability of a trademark thus make a decision of registration or refusal of a trademark. In order to prevent the Trademark Law being interpreted and executed differently during the examination of a trademark application, it is practically required to adopt a uniform standard to secure the “smooth operation of Trademark Law and prompt and precise examinations”.\(^\text{14}\) From this point of view, the Examination Guidelines for Trademarks was adopted by Japan Patent Office in 1921 with the former Trademark Law was enforced, as internal standards without any legal binding power. In 1971, the Guidelines were made public except for some sections. The major purpose of the guidelines being made public is to allow trademark applicants to know how their applications being judged by examiners, how the trademark law is applied and interpreted during the examinations, and whether their applications will be accorded registration. With the same purpose, the Examination Guidelines for Trademarks was adopted by China Trademark Office in 1983. The Guidelines was revised in 1994 to cope with the revision of Trademark Law in 1993 and it is still in use by CTMO. The guidelines only function as internal rules for examiners and are not open to the public. With the revision of Trademark Law of 2001, some new elements and contents have been introduced to the Trademark Law. To accommodate to the changes of the law as well as to ever-changing economy and technology, a new draft of examination guidelines for trademarks are under discussion and are estimated to be completed by the end of this year.

\(^{14}\) See Examination Guidelines for Trademarks of Japan Patent Office.
The main contents of Examination Guidelines of Trademarks are normally registrability and unregistrability of trademarks, the distinctiveness of trademarks and similarity of trademarks.

3.5.2 Trademark Examination Manual of Japan Patent Office

In order to improve the daily administration of examination, the Trademark Examination Manual was adopted in 1981 to supplement the Examination Guidelines for Trademarks. The Trademark Examination Manual covers almost every step of trademark examination with specific details. In fact, it is a standard material regulating trademark examination process as well as practice. The Trademark Examination Manual was made public and is revised regularly to keep in line with amendments of Trademark Law.

3.5.3 Comparison of Examination Guidelines for Trademarks between Japan and China

With a view that the new draft of the Examination Guidelines for Trademarks of CTMO has not finished and are not going to be disclosed, this comparison will be mainly based on the Trademark Law of the two countries.

Registrability of trademarks

In Japan, any person may obtain a trademark registration of a trademark to be used in respect of goods or services in connection with his business (section 3).

In China, any person may apply for registration of a trademark to be use in respect of goods produced, manufactured, processed, selected or marketed by him, or a trademark to use in respect of services provided by him. (Article 4)

Distinctiveness of trademarks

Trademarks lacking of distinctiveness and cannot function to distinguish the source of goods or services with respect to trademarks seeking for registration are unregistrable.

The following trademarks are deemed to be devoid of distinctiveness in Japan: (section 3)
A) Trademarks consisted solely of a mark indicating, in a common way, the common name of the goods or services, which include abbreviations and popular terms, etc. used for the goods or services;

B) Trademarks customarily used in respect of the goods or services, which means trademarks having become commonly used with respect to the same type of goods or services distinguish the goods or services of one party from those of other parties;

C) Trademarks consisted solely of a mark indicating in a common way, the origin, place of sale, quality, raw materials, efficacy, use, quantity, shape or price of the goods, or the method or time of manufacturing or using them; or the location of provision of the services, quality, articles for use in such provision, efficacy, use, quantity, modes, price or method or time of the provision of services;

“trademarks indirectly indicating the ‘quality,’ ‘use,’ etc. of designated goods or ‘quality,’ ‘use,’ etc. of designated services do not fall under this paragraph”.

D) Trademarks which consist solely of a mark indicating, in a common way, a commonplace surname or name of a legal entity;

“Commonplace surnames or the names of legal entities’ are those existing in a great number such as, for example, surnames or company names the fairly large numbers of which appear in the Telephone Directory published by Nippon Telephone and Telegraph Co., Ltd. (NTT), etc”.

E) Trademarks consisted solely of a very simple and commonplace mark; Numerals fall under the provision of this paragraph, in principle.

F) In addition to those mentioned in each of the preceding paragraphs, trademarks which do not enable consumers to recognize the goods or services as being connected with a certain person's business, such as a mark consisting solely of a pattern, a motto, letters used for indicating the quality of goods, etc.

Trademarks falling under C, D E above, as a result of the use of such a trademark, the consumers are able to recognize the goods or services as being connected with a certain person’s business, a trademark registration may be obtained.

The following trademarks are deemed to be devoid of distinctiveness in China (Article11 and 12)

15 See the Examination Guidelines for Trademarks of JPO.
16 See the Examination Guidelines for Trademarks of JPO.
A) Trademarks which consist solely of the generic name, depiction or model number of goods concerned
   □ “the generic name, depiction or model number of goods” refers to commonly used name, depiction or model number, including those provided by national standard, departmental standard, trade standard as well as those customarily used in trade.
   □ The name of goods includes full name, abbreviation and popular name used for the goods concerned.
B) Trademarks which consist solely of a direct indication of the quality, main materials, functions, intended purposes, weight, quantity or other characteristics of the goods;
C) Other trademarks which lack distinctiveness, such as marks which are too simple or too complicated, marks consisting of commonly used Chinese idiom or phrases for congratulations, marks consisting of a name of trading place, etc.
D) Three-dimensional marks which consist solely of the shape which results from the nature of the goods themselves, the shape of goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods.

The above trademarks may obtain registration if they have gained distinctiveness through use and become distinguishable.

Japan and China practice similar examination standards regarding the distinctiveness of trademarks. However, some differences exist in the followings:
A) Concerning the distinctiveness of numerals, in Japan, trademarks composed solely of numerals are treated as lack of distinctiveness, in spite of on some circumstances, the trademarks consisted more than two digits may obtain registration. However, in China, trademarks composed of numerals are distinctive on the premise that the numerals composed of trademarks are stylized, even a trademark composed of only one stylized digit is registrable.
B) Concerning the distinctiveness of trademark in use, Chinese Trademark Law and Guidelines make it possible for all the trademarks lack of distinctiveness to acquire distinctiveness through use. However, in Japan, limitations are set for those trademarks composed of common name of the goods and trademarks customarily used in respect of the goods or services.
Unregistrable trademarks

In Japan, trademark registration shall not be effected in the case of the following trademarks (section 4)

1. Trademarks which are identical with or similar to the national flag, the imperial chrysanthemum crest, a decoration, a medal of merit or a foreign national flag. (section 4(1)(i))
2. Trademarks which are identical with or similar to, a State coat of arms or other emblems (other than a national flag) of a country of the Union to the Paris Convention, a Member of the World Trade Organization or a country party to the Trademark Law Treaty which have been designated by the Minister of Economy, Trade and Industry; (section 4(1)(ii))
3. Trademarks which are identical with, or similar to, a mark indicating the United Nations or any other international organization and designated by the Minister of Economy, Trade and Industry; (section 4(1)(iii))
4. Trademarks comprising a mark identical with, or similar to, an official seal or sign which indicates supervision or certification by the Government of Japan or by the Government of a country of the Union to the Paris Convention or a Member of the World Trade Organization, or a country party to the Trademark Law Treaty or by a local public entity and which has been designated by the Minister of Economy, Trade and Industry, which are used on goods or services identical with, or similar to, the goods or services in respect of which such seal or sign is used. (section 4(1)(iv))
5. Trademarks which are identical with, or similar to, the Red Cross ensign on a white ground or the title Red Cross or Geneva Cross. (section 4(1)(v))
6. Trademarks which are identical with, or similar to, a famous mark indicating a State or a local public entity or an agency thereof or a non-profit organization or enterprise working in the public interest. (section 4(1)(vi))
   “Famous trademarks indicating the metropolis of Tokyo, prefectures, cities, towns, villages, the Metropolitan Subway Corporation, city subways corporations, city street car corporations, the Metropolitan Bus Service, city bus services, water supply enterprises, universities, religious organizations, the Olympic Games, IOC, JOC, Boy Scouts, JETRO, etc. are judged to fall under the provision of this paragraph”.\(^{17}\)

\(^{17}\) See the Examination Guidelines for Trademarks of JPO.
7. Trademarks liable to contravene public order or morality. (section 4 (1) (vii))
   A) “‘Trademarks liable to contravene public order or morality’ are trademarks which are outrageous or obscene in composition per se, letters or diagrams which are discriminative or unpleasant to people or trademarks which are, irrespective their unobjectionable composition, liable to conflict with the public interests of the society or contravene the generally-accepted sense of morality if used for designated goods or designated services. It is judged whether “letters or diagrams … are discriminative or unpleasant to people,” with consideration given to their historic backgrounds, social impacts, etc. from a comprehensive viewpoint.
   B) Trademarks with their use prohibited by other laws, trademarks liable to dishonor a specific country or its people or trademarks generally considered contrary to the international faith are judged to fall under the provision of this paragraph”. 18

8. Trademarks containing the portrait of another person or the name, famous pseudonym, professional name or pen name of another person or the famous abbreviation thereof (except where the consent of the person concerned has been obtained). (section 4 (1) (viii))
   A) “‘Another person’ in this paragraph means any person who actually exists and includes any foreigner.
   B) Where an applicant’s own name is the same as that of another person, the consent of another person concerned is required.” 19

9. Trademarks comprising a mark which is identical with, or similar to, a prize awarded at an exhibition held by the Government or a local public entity (hereinafter referred to as the “Government, etc.”) or at one which is not held by the Government, etc. but has been designated by the Commissioner of the Patent Office or at an international exhibition held in a foreign country by its government, etc. or a person authorized thereby (except where the recipient of such a prize uses the mark as part of his trademark). (section 4 (1) (ix))

10. 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 to such goods or services or similar goods or services. (section 4 (1) (x))
   A) “‘A trademark well known among consumers’ as prescribed in this

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18 See the Examination Guidelines for Trademarks of JPO.
19 See the Examination Guidelines for Trademarks of JPO.
paragraph includes not only a trademark which is widely recognized among end consumers but also a trademark which is widely recognized among traders in the industry and also includes not only a trademark which is known throughout the country but also a trademark which is widely recognized in a certain area.

B) A trademark to be cited for the application of the provision of this paragraph needs to be widely recognized among domestic consumers in Japan at a time when an application for the registration of a trademark is filed (refer to Section 4(3)).

C) To prove a trademark's being well known under the provision of this paragraph, the following factors shall be considered:
   ① a trademark actually in use on the respected goods or services
   ② the start of its use;
   ③ the length of its use;
   ④ an area where it is used;
   ⑤ a volume of production, certification or delivery and a scale of business (number of stores, an area of business, sales, an amount of sales, etc.); and
   ⑥ a method, frequency and contents of advertisement

D) A combination of another party's unregistered trademark "well known among consumers" and characters or diagrams are, in principle, considered "similar" to the unregistered trademark including those trademarks which the description of the composition of appearance is well united or conceptually related.”

11. Trademarks which are identical with, or similar to, another person’s registered trademark applied for prior to the filing date of the trademark application concerned and which are used on the designated goods or services [meaning the goods or services designated in accordance with Section 6(1) (including its application under Section 68(1)) – hereinafter referred to as the “designated goods or services”] covered by the trademark registration referred to or on similar goods or services. (section 4(1)(xi))

A) “In judging the similarity of a trademark, decisive elements of the trademark, including its appearance, sound and meaning need to be comprehensively taken into consideration.

B) A judgment on the similarity of a trademark needs to, with consideration given to a class of main users (for example, professionals, senior people, children, women, etc.) of goods or

20 See the Examination Guidelines for Trademarks of JPO.
services on which the trademark is used, be made based on attentiveness usually possessed by the user, with consideration given to the state of transaction of the goods or the provision of the services.

C) To judge the similarity of goods, the following criteria are comprehensively taken into consideration, basically following the Examination Standards for Similar Goods and Services.
(a) Whether they correspond in production stage.
(b) Whether they correspond in stage of sales.
(c) Whether they correspond in materials and quality.
(d) Whether they correspond in use.
(e) Whether they correspond in a range of consumers they are targeted at.
(f) Whether they are in a finished-product-and-parts relationship.

D) To judge the similarity of services, the following criteria are comprehensively taken into consideration, basically following the Examination Standards for Similar Goods and Services.
(a) Whether they correspond in the manner, purpose and place of their provision.
(b) Whether they correspond in articles connected with their provision.
(c) Whether they correspond in a range of consumers and customers they are targeted at.
(d) Whether they correspond in the category of their business.
(e) Whether they correspond in laws regulating business relating to the services concerned and their business operators.
(f) Whether they are provided by business operators in the same category of business.

E) In judging the similarity of goods and services, a substantial decision is made on a case-by-case basis with consideration generally given to the following criteria.
(a) Whether it is common for the same business operator to engage in the manufacturing and sales of goods and in the provision of services.
(b) Whether the goods and services correspond in use,
(c) Whether the goods and services correspond in the points of sales of the goods and provision of the services are identical.
(d) Whether the goods and services correspond in a range of consumers and customers they are targeted at.

F) Concerning the similarity of a composite trademark composed of two or more elements, a judgment needs to be made, with consideration given to the strength of a combination between its elements. However,
this does not apply where such a trademark is judged clearly to produce a remarkably different appearance, sound and meaning.”

12. Trademarks which are identical with another person’s registered defensive mark, and which are used on the designated goods or designated services covered by the defensive mark registration. (section 4 (1) (xii))

13. Trademarks which are identical with another person’s trademark (other than a trademark which had not been used by that person during a period of at least one year prior to the day on which the trademark right became extinguished) where one year has not elapsed since the date of extinguishment of the trademark right (or the date on which a ruling that a trademark registration is to be revoked or a trial decision that a trademark registration is to be invalidated becomes final and conclusive – hereinafter referred to as the “date of extinguishment of the trademark right”), or with a trademark similar to such a trademark, and which are used in respect of the designated goods or designated services covered by the trademark right or in respect of similar goods or services (section 4 (1) (xiii))

14. Trademarks which are identical or similar to the name of a variety registered under Section 18(1) of the Agricultural Seed and Seedlings Law (Law No. 83 to 1998), and which are used on the seed or seedlings of the variety concerned or in respect to similar goods and services. (section 4 (1) (xiv))

15. Trademarks which are liable to cause confusion with goods or services connected with another person’s business (other than the trademarks mentioned in paragraphs (x) to(xiv)) (section 4 (1) (xv))

A) “... likely to cause confusion with goods or services connected with any other person’s business’ 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.”

16. Trademarks liable to be misleading as to the quality of the goods or services (section 4 (1) (xvi))

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21 See the Examination Guidelines for Trademarks of JPO.
22 See the Examination Guidelines for Trademarks of JPO.
17. Trademarks comprising a mark indicating an origin of wines or spirits in Japan which has been designated by the Commissioner of the Patent Office or a mark indicating an origin of wines or spirits in a Member of the World Trade Organization prohibited to be used on wines or spirits not originating in the region in that member, which are used in respect of wines or spirits not originating in the region in Japan or that member. (section 4 (1) (xvii))

“This paragraph applies not only in a case where a trademark includes a mark indicating the origin of, for example, a wine or a liquor in characters used in the place but also in a case where a trademark includes a mark indicating the origin of a wine or a liquor in phonetic katakana characters or other characters recognized as its translation.”

18. Trademarks consisting solely of a three-dimensional shape of goods or their packaging with the shape being indispensable to secure the functions of the goods or their packaging. (section 4 (1) (xviii))

19. 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 (intention to gain an unfair profit, intention to cause damage to such another person and other unfair intentions – hereinafter the same) (other than the trademarks mentioned in each of the preceding paragraphs) in respect of such goods or services. (section 4 (1) (xix))

For example, trademarks presented below fall under the provision of this paragraph.

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

(b) A trademark identical with or similar to a trademark well known throughout Japan, for which an application is filed with an intention to dilute the distinctiveness of the well-known trademark to indicate the source of a good 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 a good

A) Trademarks “well known among consumers” as stipulated in this paragraph not only mean trademarks widely known to final users but include trademarks widely recognized among traders.

B) Trademarks “well known among consumers … abroad” as stipulated
in this paragraph need to be well known in the countries they originate from but not necessarily need to be well known in multiple countries outside those countries. Nor do they in Japan. A judgment on an “unfair intention” needs to be made with full consideration given to the following materials, if available.  

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

According to Article 10, the followings words or devices shall not be used as trademarks in China:

1. Those identical with, or similar to, the state name, national flag, national emblem, military flag and decorations of China. (Article 10 (1))  
2. Those identical with, or similar to, the names of particular venues where the Central State government organizations are located, or the names or designs of the symbolic buildings of the Central State government organizations. (Article 10 (1))  
3. Those identical with, or similar to, the state name, national flag, national emblem, military flag of foreign countries, except where the consent of the government concerned has been obtained. (Article 10 (2))  
4. Those identical with, or similar to, the names, the flags or the emblems of international intergovernmental organizations, except where the consent of the government concerned has been obtained, or that such use is unlikely to mislead the public. (Article 10 (3))  
   “International intergovernmental organizations” as prescribed in this paragraph include not only the organizations that China is a party to but also the organizations that China is not a party yet.  
5. Those identical with, or similar to, the official signs and hallmarks indicating control and warranty, except where the consent of the use has been obtained. (Article 10 (4))  
   The official signs and hallmarks indicating control and warranty refers to domestic signs and hallmarks recorded in CTMO and international signs and hallmarks notified to CTMO by International Intellectual Property Organization.  
6. Those identical with, or similar to, the names or symbols or the Red Cross or the Red Crescent. (Article 10 (5))

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23 See the Examination Guidelines for Trademarks of JPO.
7. Those having the nature of discrimination against any nationality; (Article 10 (6))
8. Those having the nature of exaggeration and fraud in adverting goods or services. (Article 10 (7))
9. Those detrimental to socialist morals or customs, or having other unhealthy influences. (Article 10 (8))
   A) To determine if a trademark is detrimental to socialist morals or customs, or having other unhealthy influences, the background of society, politics and history, cultural tradition, ethnic custom and religion etc. as well as the goods or services designated by trademark registration, shall be comprehensively taken into consideration.
   B) Trademarks detrimental to socialist morals such as trademarks composed of obscene words or figures, trademarks composed of words or figures with nature of superstition, trademarks composed words or figures of inclination of violence, etc., fall under this paragraph.
   C) Trademarks having unhealthy influence, such as unhealthy political influence, unhealthy religious influence, etc. fall under this paragraph.
   D) Trademarks identical with the name of public figures and likely to produce unhealthy influence fall under this paragraph.
   E) Other trademarks which is likely to produce unhealthy influence.
10. Geographical names of the administrative divisions at or above county level of China
11. Famous foreign geographical names

Trademarks which contain or consist of geographical indications with respect to goods not originating in the place indicated, misleading the public as to true place of origin, shall not be used as well as registered. (Art.16)

**Similarity of trademarks**

In China, a trademark identical with or similar to the trademark of another party that has, in respect of the same or similar goods or services, been registered or, after examination, preliminarily approved, shall be refused. (Art. 28)

1. The concept of similarity of trademarks is closely related with the concept of “likely to cause confusion”, which is, the trademarks similar to each other is likely to cause confusion over the source of goods or services. It is an abstract risk of confusion, which needs no proof of real confusion existing among average consumers.
2. In judging if “confusion” is likely to be produced by similar trademarks as to the source of goods or services, the comprehensive consideration is given to, whether the consumers, including not only the actual consumers, but also the potential consumers, are likely to be confused over the source of goods or services manufactured or provided by the similar trademark holders with the goods or services concerned mistakenly recognized as from the same person, or the manufacturers of goods or providers of services mistakenly recognized to have certain economic, organizational or legal relationship.

3. In judging the similarity of trademarks, decisive elements of each trademark such as its appearance, sound and meaning are comprehensively taken into consideration.

The judgment of similarity of trademarks composed of Chinese characters, roman letters, numerals, syllables for Chinese character and composite trademarks has been considered by the new draft of the Examination Guidelines for Trademarks.

From the comparison of unregistrability of trademarks and judgment of similarity of trademarks between the two countries, we can find many big differences exist in the practice of trademark examination despite those universally same or similar practices concerning trademark examination.

Concerning the unregistrability of trademarks, the following differences is noteworthy to be mentioned:

1. The most significant difference is that Japanese trademark law as well as examination guidelines pay much attention to the protection of well-known or famous trademarks in the stage of trademark examination. There are several provisions in the Japanese Trademark Law set forth for the protection for well-known marks, namely section 4-1-10, section 4-1-15, section 4-1-19 and section 64. Each provision serves a different purpose, however, as a whole, these provisions form the protection framework for well-known and famous trademarks:
   - Section 4-1-10 serves to refuse a third party’s application or to declare invalid the registration of trademarks identical or similar to earlier well-known ones, in respect of goods or services identical or similar.
   - Section 4-1-15 serves to protect well-known and famous trademarks over a broader scope of goods and services (to include dissimilar goods and services) than those of section 4-1-10. This provision is applicable to famous trademarks and highly well-known trademarks,
regardless of whether or not they are registered in Japan.

③ Section 4-1-19 was newly introduced at the time of the 1996 revision of Japanese Trademark Law, considered to be the most progressive provision in trademark legislation throughout the world. This provision is extremely effective in cases of piracy of well-known and famous trademarks recognized even in countries other than Japan. However, when applying to this provision, it is necessary to prove that the third party’s application was filed in bad-faith.

④ Section 64 stipulates the possibility of protecting well-known trademarks as defensive trademarks to address use of similar and identical marks applied to goods or services differing from those of the original mark. However, in Chinese trademark system, although provisions, namely article 13, 14 and 41, of Trademark Law is set forth for the protection of well-known trademarks, the Guidelines keeps silent on this topic, which means well-known trademark protection is not so much emphasized in the phase of trademark examination and sometimes the right holders of well-known trademarks have to seek protection in the follow-up process such as trademark opposition or dispute.

2. In China, a geographical indication can be registered as a collective trademark or certification trademark. However, in Japan, a geographical indication is unregistrable based on Section 3-1-3, according to which a trademark consisting of geographical indication indicates the place of sales or the location of provision of the services. However, in order to promote the regional economic development, the Japanese Trademark Law has been revised to introduce the protection of famous regional geographical indications to be registered as trademarks, which will be in force in 2006.

3. Japan takes a more prudent stance than China toward the registration of a person’s name. In China, only the names of public figures are prohibited to be registered as trademarks on the condition that the registration of the concerned names is liable to mislead the public as to the source of the designated goods or services. That is to say, even the names of public figures are possible to obtain trademark registration under certain circumstances such as the name has been authorized by the public figure concerned, the name of an applicant is identical with that of the public figure, etc., on the premise that no confusion is likely to be produced as to the source of goods or service. However, in Japan, with a view to protect individual interest, a trademark containing the name or the portrait of another person is prohibited to be registered, except the consent of the person concerned has been obtained. The person includes not only a public
figure, but also an ordinary person. A person who files a trademark registration using his own name has to obtain the consent from everyone who has the same name with him. So, in practice, trademarks consisting of names are rarely obtain trademark registration. Only some very famous names like Isao Aoki (a very famous golf player), Shigeo Nagashima (a very famous baseball player) etc. as well as some western famous names have obtained trademark registration in Japan. On the contrary, the names of ordinary people are free to be registered as trademarks in China. Regarding the registration of another person’s portrait as a trademark, neither the Trademark Law nor the Guidelines touches this topic. In practice, if an applicant files a trademark consisting of or containing another person’s portrait, a notary to certify that the consent has been obtained from the person is necessary.

4. In Japan, the registered names of variety of agricultural seeds and seedlings cannot be registered as trademarks. Chinese Trademark Law as well as the Guidelines keeps silent on this point.

5. In Japan, a geographical indication is not protected as a trademark in principle, however, geographical indications for wines and spirits are strongly protected in order to commit the obligations as a member of WTO. The appellations of origin of wines or spirits that are registered under Lisbon Agreement for the Protection of Appellations of Origin and their International Registration are deemed to be marks indicating an origin of wines or spirits in a Member of the WTO and are prohibited to be used on wines or spirits not originating in the region of that member. A name list with more than 600 appellations of origin is appended to the Trademark Examination Manual for the reference of the examiners when dealing with trademark applications related to geographical indications of wines or spirits. Three domestic appellation of origin of spirits were designated by JPO, namely, IKI, KUWA and AWAMORI. Being a member of WTO, China offers similar provisions as set forth in TRIPs Agreement, on the protection of geographical indications for wines and spirits. However, in practice, when coming up with a trademark containing or consisting of a geographical indication, the examiner normally handles it as an ordinary collective mark or certification mark.

When judging the similarity of trademarks, both countries comprehensively take into consideration of such decisive elements as the appearance, sound and meaning of the trademarks. However, there is a fundamental difference which cannot be ignored. In Chinese Guidelines, the appearance, sound and meaning of a trademark are equally important elements in judging the similarity of
trademarks, although, in practice, when an examiner makes a judgment on the similarity of two trademarks, there is always one of the elements being highlighted depending on different cases. In Japanese Guidelines, among the three key elements, the sound of a trademark seems much more highlighted when being compared with another trademark. This, the author thinks, may thanks to the complexity of Japanese language. Japanese is a combination of Kanji (Chinese characters), hiragana (a phonetic syllabary), and Katakana (another syllabary used primarily for foreign words). Compared with Japanese, Chinese is simpler consisting only of Chinese characters and syllables for Chinese characters.

V. Conclusions and Recommendations

4.1 Trademark Law system

From the comparison of trademark jurisprudence of the two countries, the general impression is that Japanese trademark jurisprudence is better developed with more flexibility in coping with the domestic and international changes and broader protection scope with diversity of systems. Chinese trademark jurisprudence, on the contrary, not so sensitive to the changes of situation of society and economy, although things become better in recent years. Chinese trademark jurisprudence needs to be improved to be more completed with the diverse trademark protection systems and more flexible in order to match the globalization of economy. To achieve this goal, some systems should be introduced to Chinese Trademark Law to enrich its contents and means of protection.

4.1.1 System of conversion of trademark applications

This system allows a trademark application fails to satisfy the requirements for a collective trademark to be converted into an ordinary trademark application without being refused. And to a legal entity that succeeds rights arising from a trademark application, if the legal entity uses the trademark as a collective trademark, it can convert the trademark application into an application to register a collective trademark. In either case, the converted application is deemed to have been filed on the date on which the original application was filed and the original application is deemed to have been withdrawn. This system has greatly simplifies the formality of trademark application. It has improved the efficiency of JPO and saved money and time for trademark applicants.
4.1.2 Application of trademarks composed of standard characters

The standard characters are designated by JPO commissioner to simplify trademark filing procedure. When a trademark composed of standard characters is filed, the duplicates of trademark need not to be attached. It is estimated that, among applications for trademarks consisting of characters, 70%-80% are filed with standard characters. This system relieves the burden of applicants to create trademark samples and also improve the efficiency of JPO. Since 99% of the standard characters are Chinese characters, this system should also be quite workable in China.

4.1.3 Application publication system

To publish all the pending applications makes the search for prior conflicting trademark rights more accurate. This system helps a trademark applicant to avoid filing an application for trademark registration which would be refused based on the prior trademark applications. Since CTMO is currently under great pressure of soaring number of trademark applications, the application publication system may be a good way to reduce some inefficient trademark applications.

4.1.4 Money claim system

In China, only the holder of a registered trademark has the right to stop others from using the trademarks identical with or similar to his trademark and demands for compensation for trademark infringement. As to a trademark applicant whose trademark right is not yet established, he can do nothing but tolerate the use by others of the trademark identical with or similar to his trademark, even if the use is in bad faith. If the system of money claim prior to the registration of trademark is introduced, this situation will be greatly changed and the interest of trademark applicants can be better protected.

4.1.5 Trademark restoration system

This system makes it possible for an owner of an extinguished trademark right to restore his trademark right under certain circumstances. An owner of a trademark right should be given the opportunity to regain his lost right due to reasons out of his control. To introduce this system into Chinese Trademark Law will make the Law more human and efficient.
4.2 Trademark examination system

Japan has established a sound trademark examination system which is composed of a series of individual however inter-related system of personnel, organization, information technology and standards for trademark examination. Due to this interact system, JPO is proud of its high quality as well as efficiency of trademark examination. Nevertheless, such a kind of satisfactory examination system has not yet been established in China, which is desperately needed in order to improve the current situation of trademark examination in CTMO. To achieve this goal, the following factors should be comprehensively taken into consideration.

4.2.1 personnel system

In July 2002, Japanese government established the Intellectual Property Policy Outline, setting the goal of making Japan an intellectual property-based nation. In order to achieve this goal, four strategies were adopted, which are, support for IP creation, strengthening of IP protection, expansion of IP exploitation and expansion of human resources. It is emphasized that people are foundation of the whole system and the implementation of other strategies relies on the foundation of intellectual property talents. To respond to Japanese national IP strategy, JPO amended its Basic Policies for Training in 2004 to concentrate more on the improvement of quality of its staffs. Currently, Chinese government is also under way of formulating its national IP strategy, which, the author believes, IP talents cultivation must be one of the key elements. As to the current situation of CTMO, the problem of the sharp increase of trademark applications and shortfall in trademark examination ability becomes more and more serious. Under such circumstances, how should CTMO do to react to the national IP strategy as well as the problems faced by itself? The best way, no doubt, is to establish an effective personnel system of trademark examiners, who decide the quality and efficiency of trademark examination. To achieve this goal, the CTMO should set up an organization to undertake the personnel related matters. This organization will be responsible for the coordination and liaisons with Personnel and Education Department and the Training Center of SAIC. Specifically, the organization will make the annual training plan and projects for examiners under the framework of the training policy of the Personnel and Education Department. In the training plan, the training for becoming a trademark examiner is especially important. It gives
the would-be examiners a general idea on what is the basic role of an examiner as well as some basic knowledge on trademark examination, which is fundamental to the quality and efficiency of the examination. After the approval by SAIC, the training plan shall be implemented by the Training Center of SAIC.

4.2.2 Organization of divisions related to trademark examination

It is essential for CTMO to establish a special division to conduct research, planning and projects on basic and fundamental matters related to trademark registration system. Specifically, this division will carry out the duties such as conducting research on methods of trademark examination of foreign countries, formulating examination standards and precedents of trademarks, collecting the latest information of international classification of goods and services and most significantly, finding an effective way out for current pressure brought about by the sharp increase of trademark applications, etc. and offering planning and projects for the streamlining of the trademark registration system. To some extend, this kind of research and planning work is more important than the daily examination work. Only with the research and planning work concerning trademark examination, a streamlined trademark registration system can be established, which is a premise for high quality and efficient trademark examination work. In this way, CTMO can gain the staying power for a further development.

4.2.3 Forms of trademark examination

At present, only document examinations are carried out in CTMO. To improve the efficiency of trademark examination, the author thinks, CTMO should be more flexible by introducing the systems of accelerated examination and examination through interview. The accelerated examination system makes it possible for JPO to dispatch to the applicants the first notice of examination result within 2 months from the request, which is 5 months shorter than normal examination FA period. Since the registration period in China is more than 14 month and there is no effective protection measure available for unregistered trademarks from being used by a third party, it is necessary for CTMO to build up the accelerated examination system to protect the applicants’ interests. Regarding the system of examination through interview, since a similar practice has already been existed in CTMO, how to promote it to a system is something matters. In this case, an official document needs to be formulated to govern the interview procedure and interview
records should also be prepared as internal references.

4.2.4 Information technology concerning trademark examination system

CTMO has lagged much behind JPO in the field of trademark automation system. CTMO started office automation system in 1990s, which is much later than JPO, who made a paperless project inauguration in 1984. Trademark automation system will greatly enhance the efficiency of general administrative operations through computerization of the administrative processing of applications and examinations. Facing the challenge of dramatically increasing trademark applications, further streamlining the trademark automation system is critical for the steady development of CTMO.

Chinese government is advocating establishing a transparent government and encouraging the government departments to publicize as more information as possible to the public. In this respect, CTMO should take further steps on promoting the provision of trademark information: setting up an information dissemination network consisting not only the existing websites of CTMO, Tongda Trademark Service Center (TDTM), but also some other newly-established websites monitored or related to CTMO, as well as some private sector information services; enriching the contents of the websites of CTMO and TDTM; assigning special personnel to take in charge of the management of the information network to make it more efficient, etc.

4.2.5 Standards for trademark examination

In Japan, both the Examination Guidelines for Trademarks and the Trademark Examination Manual are used by the trademark examiners in their daily examination work. However, they differ in some aspects. The Examination Guidelines for Trademark concentrates on offering interpretations on section 3, and 4, etc. of Trademark Law, namely, the registrability and unregistrability of trademarks, distinctiveness of trademarks, etc. A examiner grants or refuses a trademark registration based on the provisions and principles stipulated in Trademark Law and the Guidelines. Trademark Examination Manual, nevertheless, is a supplement to the Guidelines by focusing on the daily administration of practical trademark examinations. It tells the examiner how to deal with particular matters or procedures concerning trademark examination, such as how to handle the dismissal of applications, how to conducting an examination through an interview, etc. These two guide materials for trademark examination have ensured the fair and accurate
operation of trademark examination in JPO, with the Guidelines ensuring the just granting of trademark right and the Manual ensuring the just procedure in granting trademark right. In China, however, only the Examination Guidelines for Trademarks is available to ensure just granting of right. The procedure of the granting of right is somewhat neglected due to the lack of regulations. As we all know, a fair judgment is ensured by a fair process. It is time for CTMO to consider this issue and put the process of granting of right in reign.

The other thing is that CTMO should follow JPO’s practice to disclose the Examination Guidelines for Trademarks 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 of acquiring trademark registration.

In particular, some subject matters should be introduced to the Examination Guidelines for Trademarks and be considered in the examination stage:

The protection of well-known trademarks should be introduced to the Guidelines and the well-known trademarks should be handled more serious in the phase of trademark examination, instead of leaving them to the stage of opposition or appealing. In this case, the well-known trademarks can get a more economical and promptly protection. Since Japanese well-known trademark protection system is very progressive, China can draw on many experiences from Japan in this field.

China is a country with 8 million farmers and agriculture is the pillar industry in national economy. However, the development of agriculture and the improvement of the situation of farmers have long been ignored until recent years when Chinese government put the issue of “agriculture, village and farmer” on its top agenda. In such a situation, it is significant for Chinese Trademark Law as well as the Guidelines to introduce the protection system for the name of variety of agriculture seed and seedlings.

As a member of WTO, China has fulfilled its obligation by introducing the protection of geographical indications into its legal system and special protection of geographical indication of wines and spirits into its guidelines. Unfortunately, only general provisions and principles are available, which are not quite practical without further explanations. So, it is necessary for CTMO to specify its Guidelines with more detailed explanations, in this case, a name
list of geographical indications of wines and spirits under protection of WTO members should be formulated and included.

To summarize this report, the author would like to point out that although some problems and flaws exist in current Chinese trademark system, the great progress achieved in this field is obvious to all. The author believes that, with the further development of China’s economy and globalization of world economy, the Chinese trademark system will become more and more streamlined and internationalized, which, in turn, further promotes the economic development and social progress in China.

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Study visits and interviews
Interview with Mr. Shigeo Tashiro, Director, Trademark Division of JPO

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