

Japanese Opposition System

1. Historical Background of the Opposition System in Japan

From 1921 to 1997, Japan, following the examples of major industrialized countries, established a pre-registration opposition system for the purpose of granting stable rights.

However, the shortening of product life cycles generated a stronger demand for the speedier granting of trademark registration. While the length of the average examination period in Japan exceeded those in other industrialized nations, only one percent of the Japan Patent Office (JPO) decisions were reversed due to opposition filings. Nevertheless, all pending applications did not undergo examination for months. Such a situation was quite inappropriate. Therefore, with the revision of the law in 1996, Japan changed to a post-registration system. When acceding to the Madrid Protocol, consideration was also given to the requirement for accelerated examination, which was to be imposed after a certain period of time.

2. Outline of the Opposition System in Japan

a. Opponents and Opposition Period

Any person may file an opposition to a trademark registration by each designated goods or service within two months of the publication of the trademark registration in the trademark gazette (Section 43-2 of the Trademark Law).

Once a written opposition against a registration has been filed, the opponent may not amend the essentials of the opposition filed, except that the grounds for the opposition and means of proof may be amended within 30 days after the expiration of the period during which an opposition may be filed (Sections 43-4(2) of the Trademark Law).

In addition, the period in which that amendment can be filed may be extended by 60 days for overseas residents upon request or by authority (43-4(3) of the Trademark Law).

b. Reason for Opposition

An opposition can be filed only for the following reasons (Section 43-2 of the Trademark Law):

Reason A: - Violation of registrability of trademarks (Section 3)

- Violation of reason of unregistrability (Section 4(1))

- Violation of reason of unregistrability (Section 7(2))

- Violation of the first-to-file rule (Section 8(1), 8(2) and 8(5))

- Violation of provisions prohibiting re-registration of canceled trademarks (Sections 51(2), 52-2(2) and 53(2))

- Violation of the enjoyment of trademark rights by foreign nationals (Section 25 of the Patent Law applied under Section 77(3) of the Trademark Law)

Reason B: Infringement of the provisions of the Trademark Law Treaty, Paris Convention, and

Reason C: - Registered defensive trademarks (Section 68(4))

- Violation of requirements for defensive mark registration (Section 64)

c. Examination of Oppositions

i) Examination by the collegial body of Appeal Examiners

The examination of oppositions is conducted by a collegial body of either three or five trial appeal examiners (Section 43-3(1) of the Trademark Law).

ii) Examination ex officio

During the examination of an opposition, any reasons may be examined ex officio, even if it is not pleaded by the opponent, and only the designated goods or services challenged by the opponent may be considered in the examination (Section 43-9 of the Trademark Law).

iii) Combination of examination

Where two or more oppositions are filed against the same registration, examinations should in principle be combined (Section 43-10 of the Trademark Law).

Therefore, irrespective of the fact that designated goods, services, reasons and/or evidence may vary in the respective opposition, examinations should be combined. In this case, a single procedure is applied to a decision on the notification of reasons for revocation, presentation of written opinions, and appeals against registration. Such examinations are normally combined, and therefore, no particular notification is served regarding the combination.

iv) Examination by documentary proceeding

In principle, the examination of oppositions is conducted on the basis of documents, but exceptionally, an oral examination may be conducted by chief trial examiner authorities or conducted based on requests filed by owners of the trademark rights or Opponents (Section 43-6 of the Trademark Law).

d. Issuing Copies of Oppositions and Notifications of Reasons for Revocation

i) Issuing Copies

When an opposition is filed against a trademark registration, a copy of the opposition is sent to the owner of the trademark (Section 43-4(4) of the Trademark Law). When the copy of the opposition is sent to the owner, he/she need not immediately submit a reply. The owner is required to submit a statement of his/her argument when a notification of reason for revocation is served.

ii) Notification of Reason for Revocation

When the chief trial examiner intends to render a decision to revoke any trademark registration, he/she shall notify the owners of the trademark and the third party of the reason for the revocation of the trademark and give them opportunities to submit a statement of their arguments within an adequate period of time (Section 43-12 of the Trademark Law).

e. Withdrawal of Opposition

An opposition may be withdrawn only before notification of the reason for revocation (Section 43-11(1) of the Trademark Law).

f. Decision on Opposition

i) Decision on Opposition

The decisions on oppositions fall into one of the following three categories: (1) a decision to dismiss an irregular opposition against registration (Sections 133 and 135 of the Patent Law applied under Section 43-14(1) of the Trademark Law), (2) a decision to revoke a registered trademark for one of the reasons for filing opposition (Section 43-2 of the Trademark Law, hereafter referred to as the “Reason for Opposition”), or (3) a decision to uphold the registration if the trademark does not fall under any of the reasons for filing an opposition (Section 43-3(2) and 43-3(4) of the Trademark Law).

When an opposition is being examined, if a registered trademark falls under one of the reasons for opposition with regard to part of the registered designated goods or services, a decision may be passed to revoke only the part of the goods or services, while upholding the trademark registration with regard to the remainder of the goods or services that do not fall under the reason for opposition. Both of these decisions are entered in the same record.

ii) Effect of Decision on Opposition
When a decision to revoke a trademark registration has become final and conclusive, the said trademark is deemed not to have existed at all (Section 43-3(3) of the Trademark Law).

g. Appeal against Decision on Opposition

When the owner of a trademark right, etc., is dissatisfied with the decision to revoke the trademark registration (Section 43-3(2) of the Trademark Law), or where an opponent is dissatisfied with a decision to dismiss his/her opposition (Section 133 of the Patent Law applied under Section 43-14(1) of the Trademark Law), the parties concerned may file a lawsuit with the Tokyo High Court (Section 63 of the Trademark Law).

However, opponents, who has received a decision that the registered trademark for which opposition was filed will be maintained, may not further appeal the decision (Section 43-3(5) of the Trademark Law).

In addition, opponent may not appeal the decision (Section 135 of the Patent Law applied

under Section 43-14(1) of the Trademark Law) to dismiss an irregular opposition, as stipulated in Section 43-14(2) of the Trademark Law.

The person who filed an opposition and received a decision upholding the registered trademark may file a request for a trial for invalidation if conflicts exist between the interested parties over the trademark right.

h. Relationship between an opposition and a trial for invalidation

A request for a trial for invalidation may be filed during the period within which an opposition claim against registration is filed or during the examination of the opposition claim against registration is pending (Section 46 of the Trademark Law).

If a request for a trial for invalidation and an opposition are pending concurrently, the examination of the opposition filed takes precedence in principle, but if the trial for the registration invalidation procedure begins prior to the trial examination of the opposition, and if the trial for the registration invalidation procedure can be concluded quickly, or if there is any conflict between the trademark right owner and the opponent and an early conclusion of the trial is urged, the trial for invalidation can take precedence over the latter, subject to the decision of the board of examiners.

i. Publication of Final Decision on Opposition in Official Gazettes

The final decision on an opposition to registration is published in the Trademark Gazette (Section 75 of the Trademark Law).

j. Public Inspection of Applications

Applications and related documents are available to the public for inspection for two months from the day on which the relevant trademark gazette was issued (Section 18(4) of the Trademark Law).

k. Application of Penal Provisions

Any opponent of a trademark registration case receiving a decision that the opposition was filed fraudulently is subject to punishment for fraud (three years in prison or a fine of up to 3 million under Section 79 of the Trademark Law).

If a person making a statement during the examination of an opposition is charged with perjury (punishable by three months to 10 years in prison) but has confessed prior to the final ruling on the filing of an opposition, such a person may be granted commutation or acquittal of sentence (Section 81 of the Trademark Law). Any person under oath in the opposition trial, who is found to have made a false representation, shall be fined for making a false representation (Section 83 of the Trademark Law).

3. Advantages and Disadvantages of the Post-registration Opposition System

- a. Advantages deriving from transition to the post-registration opposition system
 - 1) Applicants can more quickly obtain a right because they do not have to wait until the publication of the relevant trademark gazette or the expiration of the time limit for filing an opposition.
 - 2) Where a declaration has been made by a Contracting Party of Madrid Protocol pursuant to Article 5(2)(b) and (c), first sentence, of the Protocol, the Office of that Contracting Party shall, where it has become apparent with regard to a given international registration designating that Contracting Party that the opposition period will expire too late for any provisional refusal based on an opposition to be notified to the International Bureau within the 18-month time limit referred to in Article 5(2)(b), inform the International Bureau of the number, and the name of the holder, of that international registration. Such a way of procedure involves some work. The Protocol makes it a requirement that any Contracting Party notify WIPO of such refusal within one month from the expiration of the time limit for filing an opposition. However, a post-registration opposition is to be treated in the same way as an invalidation trial.
- b. Disadvantages deriving from transition to the post-registration opposition system
 - 1) Where a trademark right is cancelled due to an opposition, the registration fee will not be returned to the applicant.
 - 2) Under a pre-registration opposition system, IP office can review a decision about whether to refuse an application after the publication of the examined trademark. Under a post-registration opposition system, on the other hand, the IP Office itself is not allowed to cancel an already-registered mark, even if a defect is found in the trademark during opposition period.
 - 3) An opposition is to be examined by a collegial body consisting of either three or five appeal examiners. This means an increase in workload. (However, the percentage of opposition filings is relatively small in Japan. Thus, we do not consider such a collegial body system to be a heavy burden.)
- c. Differences between pre-registration opposition system and post-registration opposition system
 - 1) Under the pre-registration opposition system, opponents are required to file an opposition against an application. While on the other hand, the post-registration opposition system allows Opponents to file an opposition against each designated goods/service for trademarks registered designating two or more goods/services.
 - 2) The pre-registration opposition system has an inter-partes dispute structure which provides applicants with an opportunity to submit a defense and amend an

application. The post-registration opposition system, on the other hand, allows trademark holders to submit a written opinion against the notification of reasons of refusal.

- 3) Pre-registration oppositions are examined by examiners while post-registration oppositions are examined by a collegial body of appeal examiners.
- 4) Under the pre-registration or post-registration opposition systems, opponents are not allowed to file a complaint against issued decisions. Under the post-registration opposition system, however, trademark holders may file a complaint against issued decisions.

4. Reasons for Non- integration of Opposition System and Invalidation Trial System

The Trademark Law and the Patent Law were the same in that they both stipulated provisions on an opposition system and an invalidation trial system until 2003.

However, as regards the opposition system and the invalidation trial system under the Patent Law: (a) there had been a demand among Opponents filing an opposition for more active participation in the opposition filing procedure; and (b) many of those who sought invalidation of a patent right often filed a demand for an invalidation trial after filing an opposition. As a result, the same interested parties repeatedly followed the JPO procedures for reviewing a patent right. Such a situation was pointed out as causing a problem. That's why the opposition system and the invalidation trial system were integrated in the field of patents.

Considering this problem in regard to Trademark Law, there has not been similar demand by Opponents for active participation in the appeal examination procedure. It is true that there are a few cases of redundancy in which a Opponent seeking trademark invalidation files a demand for trademark invalidation after filing an opposition. However, there are only few who have voiced an opinion that these circumstances have lead to prolonged conflict.

One of the main objectives of the Trademark Law is to protect consumers by preventing possible confusion resulting from the use of marks that are similar to/identical with registered trademarks. There are some who note the need for quick revocation (of deficient trademarks under the opposition system) that can be carried out in a procedure that is simpler than that of the invalidation trial system. (The opposition filing period under the Trademark Law is two months from the publication date of the official gazette containing information about registered trademark applications while that under the Patent Law is six months from the publication date of the official gazette containing information about registered patent applications.

In many cases, a conflict can be thoroughly tried under the opposition system, which is an ex-parte system, without the necessity for the conflict to be considered under the inter-parte invalidation trial system, taking into consideration such conditions as subject of protection and evidence to prove that the mark is revocable or invalid.

Therefore, we are required to pay due attention to user needs when discussing integration of the opposition system and the invalidation trial system in the Trademark Law.

Annex I

Statistics of the Pre-registration and Post-registration Opposition Systems

Pre-grant Opposition System

Year	Publication (a)	Opposition (b)	(b)/(a)	Processing to judgment (c)	Decision for revocation (d)	(d) / (c)	(d)/(a)
1992	150,500	2,860	1.9%	3,232	923	28.6%	0.6%
1993	123,500	3,206	2.6%	2,760	783	28.4%	0.6%
1994	128,500	1,813	1.4%	2,608	884	33.9%	0.7%
Total	402,500	7,879	2.0%	8,600	2,590	30.1%	0.6%

Post-grant Opposition System

Year	Publication (a)	Opposition (b)	(b)/(a)	Processing to judgment (c)	Decision for revocation (d)	(d) / (c)	(d)/(a)
2003	108,568	860	0.8%	931	166	17.8%	0.2%
2004	95,866	795	0.8%	721	179	24.8%	0.2%
2005	94,439	676	0.7%	840	172	20.5%	0.2%
Total	298,873	2,331	0.8%	2,492	517	20.7%	0.2%

Annex II

Reference Information of Pre-registration and Post-registration Opposition Systems

	Pre-registration opposition	Post-registration opposition
1. Time limit for filing an opposition	Within two months from the publication of the application + 30 days for submitting a supplementary document	Within two months from the publication of the trademark gazette containing information on the application concerned + 30 days for submitting a supplementary document
2. Qualifications for filing an opposition	Anyone may file an opposition.	Anyone may file an opposition.
3. Allowable reasons for filing an opposition	<ul style="list-style-type: none"> • Applications that are against public interests • Applications filed by a person other than the applicant (e.g., representative) without the consent of the applicant 	<ul style="list-style-type: none"> • Applications that are against public interests (Applicable are the reasons for invalidation excluding those relating to attribution of rights as well as those found subsequently)
5. Responsible officials	Examination by an examiner	Examination by a collegial body of either three or five appeal examiners
6. Legal effects	Provisional protection by the publication of the application which does not accompany any official protection under the law	Registered trademarks are entitled to full legal effects.
7. Procedures to be followed by applicants	Inter-partes dispute structure. Applicants are provided with an opportunity to narrow the scope of designated goods/services by making a defense and adding amendments to an application.	Trademark holders are allowed to present a written opinion in response to a notification of reasons of refusal but may not add any amendments to the original registered application.
8. Complaint	Opponents are not allowed to file a complaint against the decision made by the JPO on the opposition.	Opponents are not allowed to file a complaint against the decision made by the JPO on the opposition. On the contrary, trademark holders may file a complaint.
9. Fees		Where a trademark right is revoked as a result of opposition, the registration fee is not to be returned to the applicant.