

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

## **Revision History**

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## **Chapter 1:**

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

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

### 1. Tackling Bad Faith Trademark Filings under the Trademark Act

#### (1) Bad Faith Trademark Filings

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

#### (2) Related Provisions under the Trademark Act

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

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

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

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

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

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

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

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

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

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

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

response to the revision in 1996.

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

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

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

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

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

#### (5) Determining "Unfair Purposes" under Article 4(1)(xix)

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

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

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

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

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

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

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

2. Scheme for Tackling Bad Faith Filings in Japan

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

3. Information Provision System

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

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

4. Summary

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

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

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

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



##### **Requirements and Court Decisions**






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

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

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

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

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

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

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

#### **KIPO's New Practice**

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

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

### **Korean Trademark Act came into effect on June 11, 2014**

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

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

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

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

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

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

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



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

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

## **PART D**

### **CANCELLATION**

#### **SECTION 2**

#### **SUBSTANTIVE PROVISIONS**

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

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



## **2.4 CTM becoming misleading**

Revision within WP2

## **3 Absolute grounds for invalidity**

### **3.1 CTM registered contrary to Article 7**

Revision within WP2

### **3.2 Defence against a claim of lack of distinctiveness**

Revision within WP2

### **3.3. Bad faith**

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

#### **3.3.1 Relevant point in time**

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

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

#### **3.3.2 Concept of bad faith**

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

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

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

### 3.3.2.1 Factors likely to indicate the existence of bad faith

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### 3.3.2.2 Factors unlikely to indicate the existence of bad faith

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

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

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



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

### 3.3.3 Proof of bad faith

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

### 3.3.4 Relation with other CTMR provisions

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

### 3.3.5 Extent of invalidity

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The requisite conditions for a prior used unregistered trademark to prevent

posterior trademark registration include:

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

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

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

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

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

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

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

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

## Handling Bad Faith Filings in the United States

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **Chapter 2:**

**Comparison and summary on Systems and Practices of the TM5 Offices**

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



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

### I . General

#### **【 1 : Definition of bad faith】**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## II . Details

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

(Five viewpoints)

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

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

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

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

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

goods or services

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

- (1) Applicants' actions or facts involved with filing, such as business partnerships, prior business contacts, demands to buy filed or already registered trademarks, etc. In addition, does it make a difference if the demand for compensation is disproportionately high?
  - In TM5 offices, the background of application such as action of an applicant and related facts may become an element to be taken into consideration when finding an unfair purpose (bad faith).
- (2) In cases when applicants designate a wide variety of classes or a large number of goods or services

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

stores, sales areas, sales amount, etc.)

(iv) Method, frequencies and contents of advertisement

(v) Publishing frequencies of articles on general newspapers, industry journals, magazines or Internet and their contents

(vi) Results of questionnaire on demanders' recognition of trademarks

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

(i) Printed materials with advertisements (such as newspaper, magazine, catalog, or leaflet)

(ii) Invoice check, delivery sheet, order sheet, bill, receipt or commercial book

(iii) Photos clearly showing use of trademark

(iv) Written certification of advertising agency, broadcaster, publisher or printer

(v) Written certification of fellow trader, trader and demander

(vi) Written certification of official bodies (such as national, local government, foreign embassies in Japan)

(vii) Articles on general newspapers, industry journals, magazines or internet

(viii) Report of result of trademark recognition survey (questionnaire) targeted for demander: However, the objectivity of conductor, conducting method and targeted persons shall be sufficiently taken into consideration for recognition survey (questionnaire) of demander.

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

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

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

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

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

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

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

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

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

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

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

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

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

only in foreign countries.

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

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

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

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

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



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

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

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

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

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

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

(6) How does the level of recognition interact with the burden of proof of bad faith? (e.g. If the mark has a greater degree of recognition, is less proof of bad faith needed? (or vice versa?))

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

works of copyright can be protected by the Trademark Act.

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

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

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

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

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

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

### **III. Procedure**

#### **【 1 : Procedures for Oppositions in Pre-Publication】**

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

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

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



## **Chapter 3:**

### **Comparison Tables**

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

### Chapter 3: Comparison Tables

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

#### I. General

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

**II. Details**

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

	JPO	KIPO	OHIM	SAIC	USPTO
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**IV. Others**

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