

**TM5 Continuation/Expansion of Bad-Faith Project**  
**Responses of each Office to the Questionnaire**

**I. General**

**Q1.** Is there a definition of “bad faith” in your legal system (either by legislative instruments or through case-law)?

**JPO**

In the Trademark Act of Japan, there is no definition for the term “bad faith.” However, Article 4, Paragraph (1), Item (xix) of the Trademark Act, which is the section that most likely applies to bad faith trademark applications, stipulates that “unfair purposes” are “any purposes devised to gain profits unfairly or devised to cause damage to other persons, or any other unfair purposes.”

According to the Trademark Examination Guidelines, for example, trademarks presented below fall under Article 4, paragraph (1), item (xix) of the Trademark Act.

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

(b) A trademark identical with or similar to a trademark well known throughout Japan, for which an application is filed with an intention to dilute the distinctiveness of the well-known trademark to indicate the source of goods or impair the reputation, etc. of the trademark owner, however the trademark of that application per se is not liable to cause confusion over the source of goods.

**KIPO**

There is no definition of “bad faith” in the Korean Trademark Act (hereinafter “TMA”).

And there is no definition of “bad faith” in the Intellectual Property Tribunal (hereinafter “IPT”) and/or Courts’ precedents, either. However, the Patent Court or Supreme Court states that in determining whether there is bad faith in trademark application, the below factors can be considered;

- (i) the degree of fame of the well-known/famous mark;
- (ii) the degree of creativity of the well-known mark;
- (iii) whether there was a negotiation with the applicant and the well-known trademark

- owner;
- (iv) whether there is relationship between the applicant and trademark owner;
  - (v) whether the applicant prepared for a business using the registered trademark; or
  - (vi) whether the designated goods/services are same or similar, or have economic relationship.

Further, Trademark Examination Guidelines Article 26 defines “bad-faith” as cases where;

- (i) the applicant files an application with the intent of preventing true trademark owner to enter into the domestic market or force the trademark owner to make an agent agreement with the applicant;
- (ii) the applicant files an application with the intent of diluting a well-known mark, even though the filed trademark does cause confusion as to the source of goods or services; or
- (iii) the applicant files an application that is same or extremely similar to another person’s trademark that has creativity.

Finally, please be advised that under the TMA, even if the trademark application filed in bad-faith, **such mark would not be rejected or invalidated unless the mark (subject for imitation)’s well-known status or fame is proved** (TMA Article 7(1)(12)).

## **OHIM**

There is no definition of bad faith in the legislation pertaining to the Community Trade Mark (“CTM”). The Court of Justice of the European Union (General Court “GC” –first instance –and Court of Justice “CJ” –second instance –) has made it clear that to find out whether the CTM owner has been acting in bad faith at the time of filing the application for registration of the CTM, an overall assessment must be made in which all the relevant factors of the individual case must be taken into account. For examples of such factors, please see answer to Q7 below.

## **SAIC**

There is no definition of "bad faith" in the China Trademark Law.

## **USPTO**

While there is no uniform legal definition in the United States for the term bad faith, courts typically consider bad faith to mean that the accused party meant to capitalize on the trademark owner’s goodwill by trying to confuse consumers into believing that the defendant's product is created or sponsored by, or affiliated with, the plaintiff.

**Q2.** Is bad faith raised ex-officio or upon a party's claim/objection? (where the answer can depend on different case constellations, please refer to the detailed questions in (iii) of II. Q1 ~ Q5 of the questionnaire)

**JPO**

Bad faith can be raised both ex-officio and upon a party's claim/objection in an opposition or invalidation/cancellation trial.

**KIPO**

Both ex-officio and upon a party's objection.

**OHIM**

Bad faith is never raised ex-officio in the CTM system. It is raised by a party in accordance with the rules in Article 52 et seq. of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark ("CTMR")(Article 52(1)(b) CTMR).

**SAIC**

Bad faith applies at the proceedings of trademark opposition of the party concerned and the proceeding for appeal/trial.

**USPTO**

Bad faith typically is not raised by the USPTO during examination. However, bad faith may be raised in an opposition, cancellation or infringement proceeding as a factor to be considered in a likelihood of confusion analysis.

**Q3.** What is the earliest moment within your system that 'bad faith' can be claimed? What is the latest? (i.e. are there time limits for claiming bad faith).

**JPO**

At the earliest, the examiner may refuse a bad faith application during examination phase. During the examination phase, any person can provide information to the examiner.

After registration of the trademark, there is no time limit for claiming bad faith in an invalidation trial. More specifically, under Article 47, Paragraph (1), there is no 5-year exclusion period to request trials for invalidation against trademark registrations in

violation of Article 4, Paragraph (1), Items (vii) and (x) (“the case in which a trademark has been registered for the purpose of conducting unfair competition”), the item (xv) (“the case in which a trademark has been registered for unfair purposes”) and item (xix).

Also, the trials to cancel trademark registrations under Article 53-2 cannot be demanded after five years has passed from the date on which the trademark right was established.

### **KIPO**

At the earliest, the examiner may refuse a bad faith application during examination phase or the owner for famous mark can provide information to the trademark examiner or file an opposition during the trademark examination phase

At the latest, an interested party may raise an invalidation proceeding with the IPT. Further, interested party can claim that a mark should be invalidated based on TMA Article 7.1.12 at the phase of the Patent Court. However, in the Supreme Court, interested party cannot add new invalidation action grounds which had not been raised in the IPT and/or Patent Court. And there is no statutory limitation for filing an invalidation action based on TMA Article 7.1.12. For your information, the first phase for invalidation action is IPT; and the IPT’s decision can be appealed to the Patent Court as the second phase. The Patent Court’s decision can be appealed to the Supreme Court as the final phase.

### **OHIM**

Bad faith can be claimed only in relation to a registered CTM, i.e. not during the examination processes before registration takes place. After registration of the CTM, there is no time limit for claiming bad faith.

### **SAIC**

Bad faith can also be claimed in the proceedings for appeal/trial of a trademark. The claim must be submitted within five years from the date of trademark registration. For the right holder of a famous trademark, time limit of five years is not set.

### **USPTO**

Bad faith is not an independent ground for opposition or cancellation of a registration, but may be asserted as part of a likelihood of confusion or false association claim. Thus, the only time limits are the time limits that apply to the particular ground for opposition or cancellation. Bad faith may be asserted either at the outset of a proceeding, or after discovery has been conducted.

**Q4.** What is the crucial moment at which the 'bad faith applicant' must have had bad faith to fall foul of the provisions. (e.g. filing date, final decision by examiner etc)? (where the answer can depend on different case constellations, please refer to the detailed questions in (ii) of II. Q1 ~ Q5 of the questionnaire)

**JPO**

Basically, the determination of whether applicants have filed under bad faith, i.e., “bad faith applicants,” is based on standards assessed both at the time they file their applications and at the time examiners conduct examination on them.

**KIPO**

At the time when the bad-faith applicant’s trademark application filed with the Korean Intellectual Property Office (hereinafter “KIPO”)

**OHIM**

The crucial moment at which the bad faith applicant must have had bad faith to fall foul of the provisions is the time of filing the application for registration of the CTM.

**SAIC**

Bad faith can be raised during the proceedings of trademark opposition and the proceeding for appeal/trial for a trademark. Difference between the two proceedings is whether bad faith is started during the proceedings for opposition or not. In either case, "the bad faith filing" is not immediately registered.

**USPTO**

In the usual case, bad faith is assessed as of the time of adopting the mark, or in the case of an intent-to-use application, as of the time of filing the application.

**Q5.** Is the subjective state of mind of the 'bad faith' applicant relevant in the assessment of bad faith, i.e. is there a subjective element which is being assessed and, if so, how does the examiner deduce that this subjective element exists in a given case?

**JPO**

Yes, the subjective state of mind of the “bad faith applicant” is relevant in the assessment of bad faith. However, it is often impossible to obtain positive proof of bad faith (unfair intention), so the JPO may infer bad faith from circumstantial evidence.

Please refer to the response to I. Q7 for specific means by which the JPO assesses bad faith.

Especially, in the examination process, a trademark in correspondence to (1) and (2) is considered to guess what the trademark is used with unfair intention.

(1) A trademark which is identical or very similar to a well-known trademark in other countries or a trademark well-known throughout Japan.

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

### **KIPO**

No. The examiner does not assess the subjective state of mind of the ‘bad faith.’

### **OHIM**

Amongst the relevant factors of the individual case, a factor of particular relevance is the dishonest intention of the CTM owner at the time when he files the application for registration. This is a subjective factor that has to be determined by reference to objective circumstances of the particular case (which can also refer to his behavior after the filing, to the extent they may reflect on its intention at the time of filing). For example, repeat filings of the same CTM for the same goods and services can be objective indications of the CTM owner’s subjective dishonest intention to artificially extend the grace period for non-use of the mark.

### **SAIC**

A subjective factor is taken into examiner’s consideration. The examiner assesses mainly based on proof submitted by the parties concerned, such as, whether the applicant of a bad faith filing and the holder of the trademark communicated to each other or not, whether the applicant of the bad faith filing intends to gain unfair profits or not, and whether a trademark under a bad faith filing has significant originality or not.

### **USPTO**

Yes, the subjective state of mind of the bad faith applicant is relevant in the assessment of bad faith. However, direct evidence of wrongful intent is often unavailable, so courts and the USPTO’s Trademark Trial and Appeal Board (TTAB) may infer bad faith 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.

An examiner would not consider bad faith in his or her likelihood of confusion analysis; rather, it would be considered if raised during an opposition or cancellation proceeding.

**Q6.** Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)? (where the answer can depend on different case constellations, please refer to the detailed questions in (iv) of II. Q1 ~ Q5 of the questionnaire)

### **JPO**

As a basic principle, the burden of proof in establishing bad faith rests on the parties who claim that the applications were made in bad faith.

Bad faith may be inferred from circumstantial evidence. For example, factors to be considered in determining whether bad faith exists include: the background of applications such as applicants' actions and facts involved with filing, including relationship between the applicants and the genuine trademark owners, and any originality of filed trademarks. Especially, in the examination process, in case requirements described in Q5 are satisfied, unfair intentions may be inferred.

### **KIPO**

In general, the owner for well-known or famous mark bears the burden of proving there was bad faith in filing the bad-faith trademark application.

### **OHIM**

The person claiming that the CTM owner was in bad faith (i.e. the invalidity applicant) needs to prove that there was bad faith on the part of the CTM owner at the time he filed the CTM application. There is no presumption of bad faith in any situation. On the contrary, there is a presumption of good faith until proof to the contrary is adduced. Under certain circumstances, the CTM owner bears the burden of proof for counter-claims, for example if the invalidity applicant had proved a series of circumstances which indicate bad faith and the CTM owner wanted to claim, as a defense, that the invalidity applicant had consented to his application, he would need to show proof thereof.

## **SAIC**

There is a principle of burden of proof, which is subjected to the holder of a trademark. For example, a case where an applicant of a bad faith filing makes registered trademark based on bad faith of many other trademarks of other persons and is subjected to opposition, and a holder of the trademark submits other proofs of the bad faith is presumed to be bad faith is established. There are a few cases where bad faith is presumed and established.

## **USPTO**

Bad faith intent will be considered as a factor in a likelihood of confusion analysis. *See, e.g., Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961) (intent of the junior user in adopting the mark is a relevant factor in deciding whether confusion is likely); *Dan Robbins & Assocs., Inc. v. Questor Corp.*, 599 F.2d 1009, 1013 (CCPA 1979) (“Evidence of the applicant's intent is probative, but not conclusive where confusion is otherwise unlikely”). Please note, however, that it is not necessary to prove bad faith in order to establish a likelihood of confusion. The burden of proof to establish likelihood of confusion, and any assertion of bad faith, is on the opposer or petitioner, who must establish its case by a preponderance of the evidence.

Some courts have held that a finding of culpable intent creates a “presumption” that confusion is likely, i.e., it is presumed that the applicant 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.

**Q7.** Is there a defined list of conditions ('check-list') according to which 'bad faith' is established?

## **JPO**

There is no defined checklist of conditions according to which bad faith is established.

A judgment on an “unfair purposes” needs to be made with full consideration given to the following materials, if available.

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



plan to make a market entry in Japan (such as, for example, exportation to Japan, sales in Japan, etc.)

(d) Materials proving a fact that the owner of a well-known trademark has a plan to expand its business in the near future (such as, for example, the start of a new business, development of its business in new areas, etc.)

(e) Materials proving a fact that the owner of a well-known trademark is forced to accept a demand from a trademark applicant for the purchase of a trademark in question, the conclusion of an agent contract, etc.

(f) Materials showing that a trademark, if used by its applicant, is liable to impair credit, reputation, consumers-attractiveness built up in a well-known trademark

### **KIPO**

Please refer to I-Q1.

### **OHIM**

There is no defined list of conditions (check-list). An overall assessment has to be made in which all the relevant factors of the individual case have to be taken into account. Some factors of particular relevance are the following (without the list being exhaustive):

- identity/confusing similarity of the signs
- knowledge or presumption of knowledge of the use of an identical or confusingly similar sign
- dishonest intention
- existence of a direct or indirect relationship between the parties prior to the filing of the CTM

### **SAIC**

The following factors shall be totally considered to determine whether a bad faith filing or not:

(1) Whether a trade relationship or a cooperative relationship existed or not between the applicant of the pending trademark and the holder of the trademark:

(2) Whether the common area of the applicant of the pending trademark and the holder of the trademark or the goods/services of the both sides are within the same sales route and range or not:

(3) Whether another conflict has been present between the applicant of the pending

trademark and the holder of the trademark or not, and whether the both sides knew trademark of a prior user or not:

(4) Whether intercommunication between the applicant of the pending trademark and the members of the holder (organization) of the trademark has been made or not:

(5) Whether the applicant of the pending trademark intends to gain unfair profits after registration or not, and whether the applicant of the pending trademark conducts misleading advertisement, enforces dealing and partnering (on a trademark) to the prior user, releases the trademark to the prior users or other persons at a high price, and charges them a license fee or compensation of infringement of right by utilizing a certain good fame and impact of the trademark possessed by the trademark holder, or not:

(6) Whether the trademark has more significant originality than trademarks of other persons or not; and

(7) cases considered as bad faith filing

## **USPTO**

No, there is no defined list of conditions according to which bad faith is established. The courts may infer it from circumstantial evidence. As noted above, the court draws 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.

## **II. Laws/Regulations and Examination Guidelines/Practices in TM5 Partner Offices, which Deal with Bad Faith Filings**

*[JPO comment]The JPO assumed the following five view points which might be applicable to bad faith filings. We welcome your opinion/ input on these categories.*

Please provide any relevant article(s) in laws, regulations, examination guidelines, examination practices, giving specific examples such as examples of examinations, trial decisions, court decisions, etc.

## **JPO**

### <General Statement>

In the Japanese trademark system, applicable provisions that might apply in eliminating usurped trademark applications differ due to various factors such as whether or not another person's trademark, which was the target of the usurped trademark application, is well-known in Japan.

The provisions that apply to cases in which the other person's trademark is well-known in Japan are as follows: Article 4, Paragraph (1), Item (x) (“[the trademark] is identical with, or similar to, another person's trademark which is well known among consumers as that indicating goods or services in connection with the person's business, if such a trademark is used in connection with such goods or services or goods or services similar thereto”), and Article 4, Paragraph (1), Item (xv) (“[the trademark] is likely to cause confusion in connection with the goods or services pertaining to a business of another person”). In applying these provisions, there is no need to verify “unfair purposes” of applicants.

And, even if a claimed trademark is unlikely to cause confusion as to the sources of the goods, when it is “identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person,” and when “such trademark is used for unfair purposes,” Article 4, Paragraph (1), Item (xix) shall be applied. The key point here is that this provision applies also to trademarks that are well known only in foreign countries.

Furthermore, there is the possibility that Article 4, Paragraph (1), Item (vii) might apply when more emphasis is given to the background of the applications and to subjective bad faith of applicants. In that case, whether or not another person's trademark is well known is a factor to be considered, but is not a requirement. Also, the principal paragraph of Article 3, Paragraph (1) might apply when there are concerns about the applicants' own intentions to use the trademark themselves.

## **KIPO**

TMA Article 7(1)(12)

Trademark Examination Guidelines Article 26

And the bellows are the recent Patent Court's decision in relation with bad-faith filing;

Case No.: 2012Heo5059 rendered on November 22, 2012 by the Patent Court

Saudi Arabia's company ("Registrant") filed three applications for the mark which is composed of device and letters of "TIFFANY" in Classes 24, 35, and 36 for beddings related goods and services on March 3, 2009, and obtained registration of those applications.

The owner for TIFFANY mark filed invalidation actions against the subject registrations with the IPT on June 20, 2011 by arguing the fame of the "TIFFANY" mark and bad faith of the Registrant. Initially, the IPT dismissed the invalidation actions holding that 1) the economic relationship between the compared goods/services (i.e., "jewelry," etc. versus "beddings," etc.) and 2) the bad faith of the Registrant cannot be recognized.

The Patent Court on appeal, however, overturned the IPT decisions by recognizing the fame of the "TIFFANY" mark for "jewelry" and the bad faith of the Registrant. The Patent Court recognized the bad faith of the Registrant by emphasizing several factors such as 1) the Registrant's likely knowledge of the fame of the "TIFFANY" mark, 2) sufficient probability of the owner for TIFFANY mark also expanding its business into "beddings" in the future considering the trends of luxury fashion brands, 3) likelihood of consumers' misunderstanding or confusion as to source of goods with the use of the subject registrations by the Registrant, and 4) the overlap of the targeted consumers of "beddings" and "jewelry."

#### **SAIC**

No. The China Trademark Law has no provision which refuses the filing and registration of a trademark lacking intent to use based on bad faith.

#### **Q1. From The View of "Intent to 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? (Yes/No)

#### **JPO**

Yes.

In the Trademark Act of Japan, the principal paragraph of Article 3, Paragraph (1) stipulates: "Any trademark to be used in connection with goods or services pertaining to the business of an applicant [...] may be registered." Accordingly, bad faith trademark applications, which applicants file without any intent to use the trademarks, may be

refused or invalidated on legal grounds. However, please note when the principal paragraph of Article 3, Paragraph (1) was adopted, the original intent was not to prevent “bad faith trademark applications” per se. In other words, even in cases when applicants file trademark applications without any bad faith intended, the filed trademarks can be refused (or invalidated) if the applicants have no intention to use them.

## **KIPO**

Actually, this is very difficult for KIPO to answer these questions. In fact, the amended TMA (effective as of March 15, 2012) provides a new ground for rejecting or invalidating a trademark registration based on a lack of intent to use (TMA Article 3). However, the purpose of TMA Article 3 is not closely related to prohibiting a trademark in bad-faith’s application from registering and/or invalidating (this means that even if there is no bad-faith in filing trademark application, the mark can be rejected (or invalidated) in case of that there is lack of intent to use).

Further, as the said new rejection/invalidation ground was introduced recently, to the best of our knowledge, there are no IPT and/or court decisions in relation with TMA Article 3. Thus, we will introduce Trademark Examination Guidelines which are related to TMA Article 3 and would not give our answers as to your specific questions on the below.

Trademark Examination Guidelines Article 42-2 :

the examiner may request evidence of use or a declaration in support of use and/or intent to use (i.e., printed materials, product photographs, invoices, declaration describing plans for use, etc.) when there is a doubt as to the intent to use. Further, the said guideline exemplifies that there is a doubt as to the intent to use if (i) one application covers goods/services in more than five Int'l Classes, (ii) various numbers of unrelated goods/services are claimed irrespective of number of classes, (iii) it is prohibited by law for the applicant to be engaged in a business for the designated goods/services, (iv) an individual files an application for services which requires large facilities and/or substantial capital such as banking services, and air transportation services.

## **OHIM**

There is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it. Nor does the mere absence of actual use automatically trigger a bad faith scenario.

However, in accordance with the case-law of the Court of Justice of the European Union

an indication of dishonest intention (a factor to be assessed for bad faith) could be, if it becomes apparent, subsequently, that the CTM owner applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market (CJ judgment of 11/06/2009, C-529/07, ‘Lindt Goldhase’, para. 44). In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer can identify the origin of the product or service by allowing him to distinguish that product or service from those of different origin, without any confusion (CJ judgment of 11/06/2009, C-529/07, ‘Lindt Goldhase’, para. 45).

#### **SAIC**

No. The China Trademark Law has no provision which refuses the filing and registration of a trademark lacking intent to use based on bad faith.

If, a "bad faith" trademark registration is required to be cancelled based on the continuous absence of “actual use” for three years, the “actual use” can be proved by proofs of actual use, (for example), use of the trademark on goods, packaging or container of goods, or transaction documents of goods, or proofs of the use of the trademark in advertisement, exhibition and other commercial events (Section 3 of the "Trademark Law").

#### **USPTO**

If a party is not using a mark in commerce, an application may be filed at the United States Patent and Trademark Office (USPTO) under Section 1(b) of the Trademark Act on the basis of an intent to use in commerce, under Section 44 of the Trademark Act on the basis of a foreign registration, or through a Madrid filing under Section 66(a) of the Trademark Act. In such cases, an applicant must submit a verified statement that the applicant has a bona fide intention to use the mark in commerce. Such an application may be refused or challenged on the basis that an applicant did not have a “bona fide intent” to use the mark in commerce at the time an application was filed. Please note, however, that this is a different standard than “bad faith.”

Note: In addition to a declaration stating that the applicant is using the goods or services in commerce or has a bona fide intent to use the mark, an application must include an allegation that to the best of the verifier’s knowledge and belief, the facts recited in the application are accurate, and that the verifier believes the applicant to be the owner of the mark 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. An applicant that knowingly makes a false, material representation with the intent to deceive the USPTO may be

challenged on the basis of fraud.

IF YES:

- i) Please provide any provision(s) of the relevant laws or regulations.

### **JPO**

Principal Paragraph of Article 3(1)

Article 3 Any trademark to be used in connection with goods or services pertaining to the business of an applicant may be registered, unless the trademark.

### **OHIM**

In accordance with Article 52(1)(b) CTMR a CTM ‘shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings where the applicant was acting in bad faith when he filed the application for the trade mark’.

### **USPTO**

15 U.S.C. § 1051(b)(3)(B) provides that, in an intent-to-use application filed under 15 U.S.C. § 1051(b) (“Section 1(b) application”), an applicant must submit a verified statement that the applicant has a bona fide intention to use the mark in commerce on or in connection with the goods or services listed in the application. If the verified statement is not filed with the initial application, the applicant will be required to submit a verified statement during prosecution of the application that states that the applicant had a bona fide intention to use the mark in commerce on or in connection with the goods or services as of the filing date of the application. 37 C.F.R. § 2.34(a)(2).

15 U.S.C. §§1126 and 1141(5)(a) provide that a verified statement of the applicant's bona fide intention to use the mark in commerce must also be included in applications filed under Sections 44 (on the basis of a foreign registration) and 66(a) (a Request for Extension of Protection filed through the Madrid Protocol ).

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

### **JPO**

The relevant moment for determining whether there is intension to use is the time of

decision to grant/refuse registration of the trademark.

### **OHIM**

Bad faith can only be invoked against a registered CTM. The relevant moment for determining whether there was bad faith on the part of the CTM owner is the time of filing the application for registration of the CTM.

### **USPTO**

The applicant must have had a bona fide intent to use the mark at the time of filing the application.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

### **JPO**

Under the above provision, the said trademark applications can be legally refused by ex-officio examination. However, in fact, in the examination process, it is difficult to determine whether the applicants have filed the trademark applications without any intent to use them. As a result, this may pose difficult problems when refusing bad faith applications based on ex-officio examination on the grounds that the applicants have no intent to use the trademarks. On the other hand, in court decisions, a precedent was set whereby a bad faith filing was invalidated on the grounds that the applicant had no intent to use the trademark. (For the details, please see vii)

### **OHIM**

It is left to invalidation/cancellation of the registration claimed by a third party. There is no ex-officio examination of bad faith in the CTM system.

### **USPTO**

An application may be refused by the examiner if an applicant has failed to include a verified statement of intent to use in commerce. If a verified statement is provided, 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 intent to use either in an opposition filed against a Section 1(b) application, or in a cancellation proceeding filed against a registration issued under Sections 44 (on the basis of a foreign registration) or 66(a) (a Request for Extension of Protection filed through the Madrid Protocol).



iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

### **JPO**

If it is determined that there is any doubt as to the applicants' intent to use trademarks, applicants or rights holders may have to submit certain documents proving their intention to use them (The burden of proof in establishing the intent to use rests in the applicants and/or rights holders). ("RC TAVERN" Case: Intellectual Property High Court (Gyo-Ke) No. 10019 2012, Date of Court Decision May 31, 2012. Rescission of a trial decision. For the details, please see vii))

### **OHIM**

The person claiming that the CTM owner was in bad faith (i.e. the invalidity applicant) needs to prove that there was bad faith on the part of the CTM owner at the time he filed the CTM application. There is no presumption of bad faith in any situation. On the contrary, there is a presumption of good faith until proof to the contrary is adduced. Under certain circumstances, the CTM owner bears the burden of proof for counter-claims, for example if the invalidity applicant had proved a series of circumstances which indicate bad faith and the CTM owner wanted to claim as a defense that the invalidity applicant had consented to his application, he would need to show proof thereof.

### **USPTO**

In the event that an application or registration is challenged on the basis of lack of intent, the opposer/petitioner has the burden of proof in establishing applicant's/registrant's lack of intent. However, failure to produce documents verifying a bona fide intent to use the mark in commerce is sufficient to establish a rebuttable presumption that the applicant lacks such intent. For example, if opposer/petitioner requests documents during discovery proving applicant's/registrant's intent, and applicant/registrant fails to provide any documents, it is presumed that the applicant/registrant lacks intent and must rebut the presumption some other way. Such documents include business plans, documents demonstrating that applicant has the ability to manufacture the products or has experience in the relevant field, documents relating to market research, etc.

v) Please provide examination guidelines.

### **JPO**

The parts in examination guidelines dealing with “intent to use” under the principal paragraph of Article 3, Paragraph (1):

The Trademark Examination guidelines

Principal Paragraph of Article 3(1)

1. A trademark evidently not intended for “used in connection with goods or services pertaining to the business of an applicant” is not judged to fall within the category of trademarks registrable in accordance with the principal paragraph of Article 3(1), in principle.

(Examples)

(i) In case where it is clear that an applicant will not carry out his business in connection with designated goods or designated services because the scope of the applicant’s business is legally limited.

(ii) In case where it is clear that an applicant will not carry out his business in connection with designated goods or designated services because persons executing business connected with designated goods or designated services are legally restricted.

2. An application containing designated goods or designated services that contained in an application fall under the following (1) or (2) will receive a notification of reason for refusal stating that the trademark does not fall within the category of trademarks registrable in accordance with the principal paragraph of Article 3(1), because there is a justifiable doubt as to whether the applicant is conducting, or is planning to start, business connected with the designated goods or designated services which is regarded as the premise for the use of a trademark. The use or intention of use of the trademark will be ascertained by investigating the applicant’s business.

However, this shall not apply where the applicant, at the time of filing an application, submitted reference documents in accordance with Item 3 below, by which use or intention of use of the trademark can be ascertained.

(1) Regarding services provided for in Article 2(2) of the Trademark Act (hereinafter referred to as “retail services”)

(a) Where a person (natural person) has designated services falling under the category of “retail services or wholesale services for a variety of goods in each of the fields of clothing, foods and beverages, and livingware, and taking all goods together” (hereinafter referred to as “general retail services”).

(b) Where a juridical person has designated services falling under the category of general retail services, and if the investigation as to whether or not the trademark will be “used in connection with goods or services pertaining to his

business” found out that the applicant is not conducting general retail services.

(c) Where more than one of the retail services have been designated that are not similar to each other.

(2) Regarding overall goods and services

Where there is a doubt as to the use or intention of use of a trademark in regard to the designated goods or designated services, since the designation of goods or services ranges widely in one classification.

3. Where the reason for refusal contained in Item 2 above is notified, use or intention of use of the trademark will be ascertained through the following procedures.

(1) In order to prove that a trademark will be “used in respect of goods or services in connection with his business,” it requires the applicant to show, on at least a similar group basis, that he is conducting, or planning to start, business connected with the designated goods or designated services.

(2) The following, for example, will be accepted as means of proof that the applicant is carrying out business connected with the designated goods or designated services.

(i) Printed matters (newspapers, magazines, catalogs, leaflets, etc.)

(ii) Photographs of the exterior and interior of the store

(iii) Business documents (order forms, delivery statements, invoices, receipts, etc.)

(iv) Certificates issued by public organizations (government, local governments, foreign embassies in Japan, Chambers of Commerce and Industry)

(v) Certificates issued by others in the same trade, trade clients, consumers, etc.

(vi) Articles on the internet

(vii) Documents stating the sales amount of goods in relation to retail services

(3) The fact that the applicant is conducting business connected with retail services will be confirmed in the following manner.

(a) For retail services belonging to general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

(i) that the applicant is a retailer or a wholesaler.

(ii) that the above retailer or wholesaler is providing retail services at one establishment for a variety of goods in each of the fields of clothing, foods and beverages, and living ware, and taking all goods together.

(iii) that the sales of each field of clothing, foods and beverages, and living ware is accounting for around from 10% to 70% of the total sales.

(b) For retail services other than general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

(i) that the applicant is a retailer or a wholesaler

- (ii) that the above retailer or wholesaler handles goods connected with retail services
- (4) In order to prove that the applicant is planning to start business connected with the designated goods or designated services, the applicant is required to show his intention of starting to use the trademark within 3 to 4 years from the date of filing the application (within three years following the registration). The applicant thus will be requested to submit documents specifying his intention of use of the trademark and documents stating his preparation status (business plan).

The above-mentioned documents specifying his intention of use of the trademark must include the following descriptions, on which the applicant will sign and set his seal (in the case of juridical person, it will require at least a signature and seal of the director of the relevant business).

- (i) Intention of use of the trademark in the application
- (ii) Specification of point as to whether the applicant will engage in production or assigning (including sales) of the designated goods (service provision plan in the case of designated services)
- (iii) When to start using the trademark

The above-mentioned documents stating his preparation status must specify its preparation status and business plan until the start of use (decisions concerning goods or services planning; construction of factories and stores, etc.)

Where his intension of use of the trademark is uncertain, or there is a doubt as to the relevant business plan, the applicant will be requested, as needed, to submit further documents supporting the business operation and plan.

## **OHIM**

The release of amended examination guidelines on bad faith is imminent. We will provide them as soon as they have been published.

## **USPTO**

The Trademark Manual of Examining Procedure (TMEP) § 818 lists the elements an examiner must require in an application filed under Section 1(b) or

Section 44. TMEP § 1904.01(c) provides guidelines for requiring a declaration of the applicant's bona fide intention to use the mark in commerce in a §66(a) application.

- vi) Please provide examination practices.

For example, if a (bad faith) registration is challenged on the basis of non-use, what evidence would be required to prove actual use (is bona fide use in the

ordinary course of trade necessary, i.e., whatever use is normal and ordinary in that type of business)?

## **JPO**

### Trademark Act

Article 50 Where a registered trademark (including a trademark deemed identical from common sense perspective with the registered trademark, including a trademark consisting of characters identical with the registered trademark but in different fonts, a trademark that is written in different characters, Hiragana characters, Katakana characters, or Latin alphabetic characters, from the registered trademark but identical with the registered trademark in terms of pronunciation and concept, and a trademark consisting of figures that are considered identical in terms of appearance as those of the registered trademark; hereinafter the same shall apply in this article) has not been used in Japan in connection with any of the designated goods and designated services for three consecutive years or longer by the holder of trademark right, the exclusive right to use or non-exclusive right to use, any person may file a request for a trial for rescission of such trademark registration in connection with the relevant designated goods or designated services.

Documents clearly indicating the following items are able to prove actual use: persons who use trademarks, goods related to the use, trademarks in use, time of use, etc. The examples of such documents include: photographs illustrating the actual status of use, catalogues for product sales, and advertisements in newspapers or magazines. However, if certain elements such as the place of use and the time of use are not clearly confirmed, as in the case of photographs, reference materials such as order sheets and sales vouchers are to be submitted together as required to objectively confirm the actual use.

## **OHIM**

The bad faith challenge cannot merely be based on a claim of non-use as there is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it. Moreover, the CTM owner has a grace-period of five years following registration for genuine use of the CTM (Article 15 CTMR). If more than five years after registration have passed without any genuine use, the CTM can be subject to revocation based on non-use (Article 51(1)(a) CTMR).

However, an indication of dishonest intention (a factor to be assessed for bad faith) could be, if it becomes apparent, subsequently, that the CTM owner applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market.

On the other hand, if there is a commercial logic to the filing of the CTM and it can be assumed that the CTM owner wanted to use the sign as a trade mark, there would be an indication against a dishonest intention. For example, this could be the case if there is a ‘commercial trajectory’ such as the registration of a CTM after having registered the mark in a Member State (GC 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 a licensing agreement) (GC 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, the number of EU Member States in which he generates turnover through marketing goods increased) (GC judgment of 14/02/2012, T-33/11, ‘BIGAB’, paras 20, 23).

## **USPTO**

In the United States, a bona fide use in the ordinary course of trade is necessary to prove use if challenged. A bona fide use in the ordinary course of trade means a legitimate commercial purpose and not merely to reserve a right to register the mark. Legitimate commercial purposes may differ by industry. For example, what is expected by competitors in the ordinary course of the apparel business is different than what is expected by competitors in the pharmaceutical industry. Therefore, bona fide use in the ordinary course of trade is interpreted flexibly. Factors considered by the Board or a court when determining compliance with the statutory requirement for a “*bona fide use of a mark in the ordinary course of trade*” are:

- (1) the amount of use;
- (2) the nature or quality of the transaction;
- (3) what is typical use within a particular industry; and
- (4) any other probative facts.

For example, how are the following facts or circumstances considered, in regard to “Intent to use”?

For example, could applicants be required to submit evidence of intent to use?

## **USPTO**

If a party is challenged on the grounds of a lack of intent to use a mark in commerce, objective evidence is needed to prove good faith intent to use. This may include:

- (1) product or service research or development;
- (2) market research;
- (3) manufacturing activities;

- (4) promotional activities;
- (5) steps to acquire distributors;
- (6) steps to obtain governmental approval; or
- (7) other similar activities.

- In cases when applicants designate a wide variety of classes or a large number of goods or services

## **JPO**

In case applicants designate an extremely wide variety of goods and/or services, as a general rule, examiners determine if there are any reasonable doubts as to whether the applicants are conducting or plan to conduct business relating to these designated goods or services, which are prerequisite to the use of their trademarks. Accordingly, notifications of reasons for refusal are sent under the principal paragraph of Article 3, Paragraph (1), stating that the claimed trademarks are not judged to fall within the category of registrable trademarks. Then, the actual use of, or the intent to use, these trademarks are to be confirmed based on the business activities of the applicants.

Cases in which there are reasonable doubts as to applicants' specific use of or intent to use their trademarks are as follows:

### [1] Goods or services in general

A case where examiners have reasonable doubts over the applicant's use of or intention to use the trademark for designated goods or designated services since the applicant designates various goods or services under one class.

Guidelines to analyze an application covered by this case:

When the applicant, in principle, designates eight or more codes for similar goods or services under one (hereinafter called "similar group codes"), examiners shall confirm the applicant's use of or intention to use the trademark since the applicant is considered to designate a wide variety of goods or services.

### [2] Retail services

- a. An individual (or natural person) designates the services included in "the provision of benefits for customers conducted in the course of retail and wholesale business which deals in various goods connected to clothing, beverages, and commodities at one time" (hereinafter called "general retail services").
- b. A legal person designates the business included in general retail services and the

applicant is not recognized as an applicant dealing in general retail services even after the examiners' examination using the examiners' authority to see if the applicant "uses the trademark in connection with goods or services pertaining to the business of an applicant."

c. An applicant designates multiple retail services which have no similarity.

The following items confirm actual use or the intent to use:

[1] Documents for confirming the use of the trademark

The following, for example, will be accepted as means of proof that the applicant is carrying out business connected to the designated goods or designated services.

- (i) Printed matters (newspapers, magazines, catalogs, leaflets, etc.)
- (ii) Photographs of the exterior and interior of the store
- (iii) Business documents (order forms, delivery statements, invoices, receipts, etc.)
- (iv) Certificates issued by public organizations (government, local governments, foreign embassies in Japan, Chambers of Commerce and Industry)
- (v) Certificates issued by others in the same trade, trade clients, consumers, etc.
- (vi) Articles on the internet
- (vii) Documents stating the sales amount of goods in relation to retail services

The fact that the applicant is conducting business connected to retail services will be confirmed in the following manner.

(a) For retail services belonging to general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

- (i) that the applicant is a retailer or a wholesaler.
- (ii) that the above retailer or wholesaler is providing retail services at one establishment for a variety of goods in each of the fields of clothing, foods and beverages, and living ware, and taking all goods together.
- (iii) that the sales of each field of clothing, foods and beverages, and living ware is accounting for around from 10% to 70% of the total sales.

(b) For retail services other than general retail services, it will be proved in a comprehensive manner by referring to documents certifying, for example:

- (i) that the applicant is a retailer or a wholesaler
- (ii) that the above retailer or wholesaler handles goods connected to retail services.

[2] Documents to confirm the applicant's intention to use the trademark

In order to prove that the applicant is planning to start business connected to the designated goods or designated services, the applicant is required to show his/her intention of starting to use the trademark within 3 to 4 years from the date of filing the



application (within three years following the registration). The applicant thus will be requested to submit documents specifying his/her intention of use of the trademark and documents stating his/her preparation status (business plan).

The above-mentioned documents specifying his/her intention of use of the trademark must include the following descriptions, on which the applicant will sign and set his/her seal (in the case of juridical person, it will require at least a signature and seal of the director of the relevant business).

(i) Intention of use of the trademark in the application

(ii) Specification of point as to whether the applicant will engage in production or assigning (including sales) of the designated goods (service provision plan in the case of designated services)

(iii) When to start using the trademark

The above-mentioned documents stating his/her preparation status must specify its preparation status and business plan until the start of use (decisions concerning goods or services planning; construction of factories and stores, etc.).

## **OHIM**

There is no requirement of intent to use in the CTM system. Hence, the CTM owner cannot be required to submit evidence of intent to use. As regards the factor of ‘dishonest intention’, as a rule, it is legitimate for an undertaking to seek registration of a mark, not only for the categories of goods and services which it markets at the time of filing the application, but also for other categories of goods and services which it might wish to market in the future (GC judgment of 14/02/2012, T-33/11, ‘BIGAB’, para. 25; GC judgment of 07/06/2011, T-507/08, ‘16PF’, para. 88). There is no legal basis for making a finding of bad faith due to the length of the list of goods and services set out in the application for registration (GC judgment of 07/06/2011, T-507/08, ‘16PF’, para. 88).

## **USPTO**

As noted above, in the United States an applicant must submit a verified statement that it intends to use each of the goods or services listed. Prior to registration, an applicant must submit specimens showing use for each international class. If an application is filed on the basis of a foreign registration under § 44, or on the basis of a § 66(a) Request for Extension of Protection under the Madrid Protocol, the application may register without proof of use, and an examiner will not refuse registration ex-officio. Nevertheless, once registered, a third party may challenge the registration on the basis of a lack of bona fide intent to use.

Note: USPTO has been receiving an increasing number of applications with a wide variety of goods and services. In order to ensure the accuracy of the register, USPTO

issued rules on June 21, 2012 that allow the USPTO to request additional information from trademark applicants and owners regarding use of the mark. In particular, the USPTO can now: (1) upon request, require any specimens displaying use of the mark, information, exhibits, and affidavits or declarations deemed reasonably necessary to examine a post registration affidavit or declaration of continued use in trademark cases, and to assess the accuracy and integrity of the register; and (2) upon request, require more than one specimen in connection with a use-based trademark application, an allegation of use, or an amendment to a registered mark.

- In cases when applicants file a large number of applications to register the trademarks of others

### **JPO**

The RC Tavern case is a court case in which the applicants' use of, or intent to use, their trademarks was taken into account. (Intellectual Property High Court (Gyo-ke) No. 10019 2012, Date of Court Decision May 31, 2012. Rescission of a trial decision)  
For the details, please see vii.

### **OHIM**

Bad faith cannot be invoked against a CTM application and there is no requirement of intent to use in the CTM system. Consequently, an applicant cannot be required to submit evidence of intent to use where there is a large number of applications to register trade marks of others.

Each invalidity action against a registered CTM based on bad faith has to be determined with regard to the factors relevant in the individual case. Nevertheless, as regards the possibility to interpret the CTM owner's intention at the time of filing as dishonest, filing a large number of applications to register the trade marks of others can be a strong indication of a dishonest intention of the owner, particularly in cases where there are other indications (e.g. previous knowledge).

### **USPTO**

Although an examiner will not refuse the registration ex-officio, the application may be challenged on the basis of lack of intent to use by a third party. With regard to a claim that an applicant lacks a *bona fide* intent to use the mark, judges have found that an applicant's pattern of filing ITU applications for disparate goods under the well-known or famous marks of others was a basis for sustaining that claim. *See, e.g., L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434 (TTAB 2012).

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

### **JPO**

For example, in case individuals (natural persons) designated services that fall under the category of “providing conveniences and benefits to customers by conducting retail or wholesale businesses that deal in a variety of goods in each of the fields of clothing, foods and beverages, and household goods, and the individuals categorize all of these goods together (which hereinafter are referred to as “general retail services”), examiners are to determine if there is any reasonable doubt as to the applicants conducting, or plans for conducting, business relating to these designated goods or services, considering the fact that the conducting of such businesses is a prerequisite to the use of their trademarks. Accordingly, notifications of reasons for refusal are sent in regard to claimed trademarks that do not fall under the category of registrable trademarks according to the principal paragraph written in Article 3, Paragraph (1).

### **OHIM**

There is no requirement of intent to use in the CTM system. Consequently, an applicant cannot be required to submit evidence of intent to use. As regards the possibility to interpret his intention as dishonest, if it becomes apparent, subsequently, that he applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market, please see the answers above.

### **USPTO**

An examiner will not request evidence of a bona fide intent to use if the goods or services require large-scale equipment or investment. Nevertheless, a third party, in its discovery requests, may ask the applicant/registrant for evidence showing that the applicant is engaged in the manufacture or sale of such products, or that it has business plans to do so. Failure to produce this evidence would weigh in favor of finding a lack of bona fide intent to use. *See, e.g., Honda Motor Co. v. Friedrich Winkelmann*, 90 USPQ2d 1660 (TTAB 2009); *Boston Red Sox Baseball Club LP v. Sherman*, 88 USPQ2d 1581, 1587 (TTAB 2008) (no bona fide intent found because there was no relevant business established).

- 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. (Example: agencies for legal procedures relating to lawsuits or other legal issues).

### **JPO**

(1) Cases when it is clear that applicants will not conduct business in connection with the designated goods or services because the scope of the applicants' businesses are legally limited.

(2) Cases when it is clear that applicants will not conduct business in connection with the designated goods or services because these persons conducting businesses connected with the designated goods or designated services are legally restricted. (Example: agencies for legal procedures relating to lawsuits or other legal issues), their trademarks shall not be registered under the principal paragraph of Article 3 (1). For example, such cases include those in which trademark applications are filed by legal entities that designate services of "agencies for legal procedures relating to lawsuits or other legal issues," "agencies for procedures relating to industrial property rights," and "tax agency," but that are not admitted to conduct these businesses under laws and regulations.

### **OHIM**

There is no requirement of intent to use in the CTM system. Consequently, an applicant cannot be required to submit evidence of intent to use. As regards the possibility to interpret his intention as dishonest if it becomes apparent, subsequently, that he applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market, please see the answers above.

### **USPTO**

If evidence is submitted showing that a party does not have a bona fide intent to use because it is legally restricted from offering these goods and services, this evidence will be a factor that a judge would weigh in favor of a finding of lack of bona fide intent to use the mark.

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

### **JPO**

The intent to block entry into the market can be one of the factors to be considered by examiners.

### **OHIM**

There is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it. However, an indication of dishonest intention (one of the factors assessed for bad faith) could be, if it becomes apparent, subsequently, that the CTM owner applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market (CJ judgment of 11/06/2009, C-529/07, ‘Lindt Goldhase’, para. 44). In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer can identify the origin of the product or service by allowing him to distinguish that product or service from those of different origin, without any confusion (‘Lindt Goldhase’, para. 45).

### **USPTO**

If a third party has evidence that an application was filed merely to block entry into the market and with no bona fide intent to use in commerce, this evidence would be considered by a judge and will weigh in favor of a finding of a lack of bona fide intent to use.

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

### **JPO**

The fact that a trademark is revoked because of non-use is not, in itself, considered a sufficient basis for establishing bad faith.

### **OHIM**

The fact that the mark is revoked for non-use would not be sufficient in itself to support a finding of bad faith. As regards the possibility to interpret the CTM owner’s intention at the time of filing as dishonest, if it becomes apparent, subsequently, that he applied for registration of the sign as a CTM without intending to use it, his sole objective being to prevent a third party from entering the market, please see the answers above.

### **USPTO**

An examiner would not request evidence of intent to use. If a mark is revoked for non-use, and the party has re-applied for the mark, the finding of abandonment on the basis of non-use is not necessarily determinative that the party has a lack of bona fide

intent to use the newly filed mark. A judge would weigh the evidence submitted to determine lack of intent.

- Are there other reasons affecting decisions on “Intent to use”?

**JPO**

Nothing in particular.

**OHIM**

There is no requirement in the CTM system for a CTM owner to have an intention to use the mark when applying for it.

Whether the intention of the CTM owner at the time of filing the application was dishonest or not needs to be determined on the basis of the individual case and its relevant factors. One possible case scenario has already been described in the answers above.

Another possible bad faith case scenario is that where the CTM owner intends to artificially extend the grace period for non-use. This is the case where a repeat application of an earlier CTM is made in order to avoid the loss of the right as a result of non-use (GC judgment of 13/02/2012, T-136/11, ‘Pelikan’, para. 27). This case needs to be distinguished from the situation where the CTM owner, in accordance with normal business practice, legitimately seeks to protect variations of its sign, for example, where there has been an evolution of a logo (GC judgment of 13/02/2012, T-136/11, ‘Pelikan’, paras 36 et seq.).

**USPTO**

Each case is fact specific and a judge would have great discretion in assessing a lack of intent to use.

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

**JPO**

“RC TAVERN” case (Intellectual Property High Court (Gyo-ke) No. 10019 2012, Date of Court Decision May 31, 2012. Rescission of a trial decision)

The principal paragraph of Article 3, Paragraph (1) of the Trademark Act stipulates the requirement for trademark registration as “[A]ny trademark to be used in connection with goods or services pertaining to the business of an applicant.” “Any trademark to be

used in connection with goods or services pertaining to the business of an applicant” means any trademark actually used in connection with goods or services relating to the business of applicants at least at the time of registration decisions, or any trademark with applicants’ intent to use for goods or services relating to the business of the applicants in future.

When the above requirement is applied to the “RC TAVERN” case, let’s consider the details of the case as follows:

(1) Since around September 17, 2009, the plaintiff was advertising and promoting, mainly in central Tokyo, a restaurant with the name “RC TAVERN.” The plaintiff used a trademark consisting of the Roman alphabet words “RC TAVERN” in the upper part and the Japanese katakana characters “アールシータバーン” in the lower part (a trademark being used by the plaintiff).

(2) On October 1, 2009, the plaintiff opened the restaurant bearing the trademark in Marunouchi, Chiyoda-ku, Tokyo, engaging in providing food and beverage services.

(3) The defendant filed an application to register the subject trademark in this case on October 24, 2009, and obtained trademark rights for this trademark on March 26, 2010. However, since then and up to the present, the defendant has never used this registered trademark for the designated services of “providing foods and beverages” or for any other purposes/services in other businesses.

(4) The registered trademark in this case is similar to a trademark being used by the plaintiff.

(5) A trademark being used by the plaintiff is a coined word by combining the letters “RC,” which are the acronym of the letters of a restaurant “Rose & Crown” managed by the plaintiff; and the word “TAVERN,” which generally means a drinking spot or bar, and is particularly distinctive. Also, the filing date of the trademark in this case was very close to the timing of advertising and promoting the restaurant as well as the opening date of the restaurant. Based on these facts, it could be determined that, after recognizing the trademark being used by the plaintiff, the defendant filed a trademark application to register the subject trademark in this case, which is similar to the plaintiff’s trademark.

(6) Furthermore, in addition to the subject trademark in this case, the defendant filed applications to register 44 trademarks in a short period between June 27, 2008 and

December 10, 2009, and obtained trademark rights for them. Nonetheless, since then and up to the present, the defendant has never used these registered trademarks for the designated services or for any other businesses. The scope of the designated services is also excessively wide and lacks consistency. Moreover, for 30 of these trademark registrations, there are shops and companies that are actually using similar trademarks and trade names without any relation to the defendant. And, from what we can confirm at this point, for 10 of them, the defendant's trademark applications were filed after the actual use of others' trademarks and trade names that were similar to the defendant's trademarks.

Considering all of the above circumstances, it is very likely that, for certain trademarks or trade names being used by others, the defendant filed trademark applications with a wide variety of the designated services. As a result, it should be determined that the defendant has been merely collecting trademark registrations. Consequently, the subject trademark in this case does not fall under a trademark that is actually used in connection with goods and services relating to the business of the defendant at the time the decision to register it was decided. In addition, it is also difficult to admit that the defendant had the intent to use this registered trademark for goods or services relating to his own business in the future.

Accordingly, in regard to the subject trademark in this case, the trademark registration cannot be acknowledged to have been registered for "any trademark to be used in connection with goods or services pertaining to the business of an applicant." It should be determined that this trademark registration is a violation of the principal paragraph of Article 3, paragraph (1) of the Trademark Act.

## **OHIM**

Please find attached the following judgments of the Court of Justice of the European Union (General Court and Court of Justice):

- CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase';
- GC judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL';
- GC judgment of 14/02/2012, T-33/11, 'BIGAB'
- GC judgment of 13/02/2012, T-136/11, 'Pelikan'

## **USPTO**



*Honda Motor Co. v. Friedrich Winkelmann*, 90 USPQ2d 1660 (TTAB 2009). This case represents an example of a Trademark Trial and Appeal Board decision finding that the applicant did not have a bona fide intent to use. The applicant, Friedrich Winkelmann, applied to register the mark V.I.C. for transportation vehicles under Section 44(e) of the Trademark Act (based upon a German registration), which requires an assertion of a bona fide intent to use in commerce. The application was opposed by Honda Motor Co. on grounds of likelihood of confusion and lack of bona fide intent to use in commerce. Applicant Winkelmann responded to Honda's interrogatories (discovery requests) that he "has not had activities in the U.S. and has not made or employed a business plan, strategy, arrangements or methods there" and "has not identified channels of trade that will be used in the United States." The Board held that the lack of documents verifying bona fide intent to use the mark is sufficient to establish a rebuttable presumption that the applicant lacks such intent. The Board held that applicant must rely on specific facts that establish the existence of an ability and willingness to use the mark in the U.S. at the time of filing the application, and that the applicant failed to prove bona fide intent.

*Nintendo of America, Inc. v. Adar Golad*, Opposition No. 91178130, 2011 WL 2360099 (TTAB May 31, 2011) [not precedential]. The Trademark Trial and Appeal Board (TTAB) found that there was no business plan or any other documentation showing plans to "advertise, manufacture or otherwise use the mark FLASHBOY in commerce on the goods for which applicant seeks registration." In order "[t]o show a bona fide intent to use, there must be 'objective evidence,' that is evidence in the form of 'real life facts and by the actions of the applicant.' J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, § 19:14 (4th ed. 2009). There should be some 'definite' (if not necessarily 'concrete') plan by applicant. For example, 'written plan of action for a new product or service,' or a 're-branding of an existing line of goods or services.' *Id.*" Although Applicant had foreign trademarks and a European patent, Applicant did not establish "a nexus as to how these would be used to launch FLASHBOY for the presently applied-for goods."

## **Q2. From The View of “Unfair Intention” Except for Q1**

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? (Yes/No)

Q1 以外の場合を除いて、不正目的による出願を拒絶する（又は登録を無効にする）法制があるか。

**JPO**

Yes.

**KIPO**

Yes.

**OHIM**

The legislation is the same as referred to under Q1. In order to find out whether the owner has 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. One factor of particular relevance is the dishonest intention of the CTM owner. This is a subjective factor that has to be determined by reference to objective circumstances.

**SAIC**

Yes.

**USPTO**

Although the U.S. does not have a stand-alone refusal for bad faith, bad faith is one of the factors the TTAB or a court will weigh in determining likelihood of confusion. Bad faith may also be addressed through challenges on the grounds of misrepresentation of source under Trademark Act Section 14(3).

IF YES:

- i) Please provide provision(s) of the relevant laws or regulations.

**JPO**

As a provision for refusing an application on the basis of unfair intention, Japan has Article 4, Paragraph (1), Item (xix) of the Trademark Act.

The trademark is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to the purpose of gaining unfair profits, the purpose of causing damage to the other person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding Items);

Also, although Japan does not have a stand-alone refusal for bad faith, a case in which applications are contrary to the public interest and/or international fidelity, Article 4, Paragraph (1), Item (vii) may be applicable.

Article 4, Paragraph (1), Item (vii)

The trademark is likely to cause damage to society and public morality;

### **KIPO**

Trademark Act Article 7(1)(12)

### **OHIM**

Please see answer to Q1 above.

### **SAIC**

Article 32 of the "Trademark Law" provides that, no trademark application shall cause damage to the right previously held by another party when filing, nor shall an applicant rush to register in an unfair manner a trademark that is already in use by another party and that enjoys substantial influence.

Paragraph 2 of Article 15 of Trademark Law provides that, Where a trademark applied for registration is identical with or similar to an unregistered trademark of another party in prior use on identical or similar goods, and the applicant has a contract, business relationship or other relationship other than that prescribed in the preceding paragraph with that party, thus the applicant is fully-aware of the existence of the trademark of that party, this application for registration shall be refused upon the opposition filed by that party.

### **USPTO**

The United States does not have laws or regulations relating to bad faith; however, bad faith is a factor the TTAB or a court will weigh in determining likelihood of confusion. A likelihood of confusion analysis has been developed through case law. *See, e.g., In re E.I. DuPont DeNemours & Co.*, 476 F.2d 1357, 1361 (CCPA 1973); *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961). Please note, however, that it is not necessary to prove bad faith in order to establish a likelihood of confusion.

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

### **JPO**

At the time of final decision by examiners.

**KIPO**

At the time when the bad-faith applicant's trademark application filed with the Korean Intellectual Property Office (hereinafter "KIPO")

**OHIM**

Please see answer to Q1 above.

**SAIC**

The above provisions may apply during the proceeding of a trademark opposition and the proceeding for appeal/trial, after the final decision of examination is submitted by the examiners.

**USPTO**

An examiner would not consider bad faith in a likelihood of confusion analysis during examination. The TTAB or a court would consider the bad faith intent of the applicant at the time of adopting the mark or filing for an intent-to-use application.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

**JPO**

An application on the basis of unfair intention may be refused by ex-officio examination. Additionally, it may be determined in opposition proceedings or cancellation trials.

**KIPO**

The above provision can be determined by ex-officio examination. Further, during an opposition or invalidation action, the plaintiff can also raise an argument that a mark is filed with unfair intention.

**OHIM**

Please see answer to Q1 above.

**SAIC**

They may apply during the proceedings of opposition and for trial/appeal afterward.

**USPTO**

In the United States, bad faith is not considered during ex-officio examination. A determination of bad faith in a likelihood of confusion analysis is left to opposition or

cancellation of a registration.

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

### **JPO**

The burden of proof in establishing bad faith rests on parties who claim that there is bad faith intent.

### **KIPO**

In general, the owner for well-known or famous mark bears the burden of proving there was bad faith in filing the bad-faith trademark application.

### **OHIM**

Please see answer to Q1 above.

### **SAIC**

There is a principle of burden of proof, which is subjected to the holder of a trademark. For example, a case where an applicant files a large number of other trademarks of other persons and is subjected to opposition, and a right holder of the trademark submits other proofs of the bad faith, is presumed to be bad faith and the bad faith is established. There are a few cases where bad faith is presumed and established.

### **USPTO**

The burden of proof to establish likelihood of confusion, and any assertion of bad faith, is on the opposer, who must establish its case by a preponderance of the evidence. The Board or courts will consider circumstantial evidence to determine whether there is bad faith intent. Once an opposer has established a prima facie case that the applicant acted in bad faith, the burden would shift to the applicant to prove that it had not acted in bad faith.

Some courts have held that a finding of culpable intent creates a “presumption” that confusion is likely, i.e., it is presumed that the applicant 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.

v) Please provide examination guidelines.

## **JPO**

Article 4(1) (xix) (Trademark Identical with or Similar to Another Person's Well-Known Trademark which is Used by the Applicant for an Unfair Intention)

1. For example, trademarks presented below fall under the provision of this paragraph.
  - (a) A trademark of which the registration is sought to, taking advantage of a well-known foreign trademark or a trademark similar thereto being not registered in Japan, force its purchase, prevent a market entry by the owner of that foreign trademark or force the owner of that foreign trademark to conclude an agent contract
  - (b) A trademark identical with or similar to a trademark well known throughout Japan, for which an application is filed with an intention to dilute the distinctiveness of the well-known trademark to indicate the source of goods or impair the reputation, etc. of the trademark owner, however the trademark of that application per se is not liable to cause confusion over the source of goods.
2. Trademarks "well known among consumers" as stipulated in this paragraph not only mean trademarks widely known to final users but include trademarks widely recognized among traders.
3. Trademarks "well known among consumers ... abroad" as stipulated in this paragraph need to be well known in the countries they originate from but not necessarily need to be well known in multiple countries outside those countries. Nor do they in Japan.
4. A judgment on an "unfair purposes" needs to be made with full consideration given to the following materials, if available.
  - (a) Materials proving a fact that another person's trademark is well known among consumers (the period, scope, frequency of its use)
  - (b) Materials showing that a well-known trademark is composed of a coined word or particular in composition
  - (c) Materials proving a fact that the owner of a well-known trademark has a concrete plan to make a market entry in Japan (such as, for example, exportation to Japan, sales in Japan, etc.)
  - (d) Materials proving a fact that the owner of a well-known trademark has a plan to expand its business in the near future (such as, for example, the start of a new business, development of its business in new areas, etc.)
  - (e) Materials proving a fact that the owner of a well-known trademark is forced to accept a demand from a trademark applicant for the purchase of a trademark in question, the conclusion of an agent contract, etc.
  - (f) Materials showing that a trademark, if used by its applicant, is liable to impair credit, reputation, consumers-attractiveness built up in a well-known trademark

5. A trademark in correspondence to (1) and (2) is considered to guess what the trademark is used with unfair intention.
- (1) A trademark which is identical or very similar to a well-known trademark in other countries or a trademark well-known throughout Japan.
- (2) The above-mentioned well-known trademark is composed of a coined word or particular in composition.
6. Judgment of whether the trademark is well known or not apply mutatis mutandis Article 3(8) (Article 4(1)(x)) of the guidelines.

Article 4(1)(vii) (Contravention of Public Order or Morality)

1. Trademarks that are “...likely to cause damage to public order or morality” are trademarks which are letters or diagrams, in composition per se, outrageous, obscene, discriminative or unpleasant to people, or trademarks which are, irrespective their unobjectionable composition, liable to conflict with the public interests of the society or contravene the generally-accepted sense of morality if used for designated goods or designated services.

It is judged whether “letters or diagrams are discriminative or unpleasant to people,” with consideration given to their historic backgrounds, social impacts, etc. from a comprehensive viewpoint.

2. Trademarks with their use prohibited by other laws, trademarks liable to dishonor a specific country or its people or trademarks generally considered contrary to the international faith are judged to fall under the provision of this paragraph.

**OHIM**

Please see answer to Q1 above.

**USPTO**

Examination guidelines are not applicable for a determination of bad faith since an examiner will not consider intent during examination.

**KIPO**

Examination Guidelines Section 26.

**SAIC**

In order to determine whether bad faith (misappropriation) is present or not, the following factors shall be totally considered:

- (1) Whether a trade relationship or a cooperative relationship existed or not

between the applicant of the pending trademark and the holder of the trademark:

- (2) Whether the common area of the applicant of the pending trademark and the holder of the trademark or the goods/services of the both sides are within the same sales route and range or not:
- (3) Whether another conflict has been present between the applicant of the pending trademark and the holder of the trademark or not, and whether the both sides knew trademark of a prior user or not:
- (4) Whether intercommunication between the applicant of the pending trademark and the members of the holder (organization) of the trademark has been made or not:
- (5) Whether the applicant of the pending trademark intends to gain unfair profits after registration or not, and whether the applicant of the pending trademark conducts misleading advertisement, enforces dealing and partnering (on a trademark) to the prior user, releases the trademark to the prior users or other persons at a high price, and charges them a license fee or compensation of infringement of right by utilizing a certain good fame and impact of the trademark possessed by the trademark holder, or not:
- (6) Whether the trademark has more significant originality than trademarks of other persons or not; and
- (7) cases considered as misappropriation

vi) Please provide examination practices.

For example, how are the following facts or circumstances considered, in regard to unfair intension?

-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?

**KIPO**



Whether there is relationship between the applicant and trademark owner is one of the factors in determining whether there was unfair intention in filing trademark application.

#### **OHIM**

The existence of a direct or indirect relationship between the parties prior to the filing of the CTM is a relevant factor when assessing the existence of bad faith.

A request for compensation by the CTM owner to the invalidity applicant (even a seemingly disproportionate compensation) does not, in itself, and in the absence of other indications, establish bad faith (judgment of 01/02/2012, T-291/09, 'Pollo Tropical CHICKEN ON THE GRILL', paras. 88-89).

#### **SAIC**

Please see answer to v) above.

#### **USPTO**

These factors would be considered by the TTAB or a court in determining intent, and would likely weigh in favor of a finding of bad faith.

- In cases when applicants designate a wide variety of classes or a large number of goods or services

#### **KIPO**

Case No. 2007Heo2626 rendered on June 25, 2008 by the Patent Court, the above was considered as one of the factors in recognizing the unfair intention in filing trademark application.

#### **OHIM**

Please see answer to Q1 above.

#### **USPTO**

As noted above, the fact that an applicant has designated a wide variety of goods or services but cannot show evidence of intent to use in commerce may lead to a determination of a lack of bona fide intent to use and may also weigh in favor of a finding of bad faith and likelihood of confusion.

- In cases when applicants file a large number of applications for trademarks of others

**KIPO**

Case No. 2002Dang3052 rendered on Dec. 15, 2003 rendered by Intellectual Property Tribunal, the above factors was considered as one of the factors in recognizing the unfair intention in filing trademark application. This case was appealed by the registrant for SamsCulb mark and the IPT's decision was supported by the Patent Court. In this regard, please be advised that the Patent Court did not mention the above as one of factors in recognizing the unfair intention in filing trademark application.

**OHIM**

Please see answer to Q1 above.

**USPTO**

Filing for a large number of applications for the trademarks of others could be considered evidence of bad faith. *See, e.g., L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434 (TTAB 2012) (applicant found to have acted in bad faith and lacked bona fide intent to use because of pattern of filing ITU applications for disparate goods under the well-known or famous marks of others).

- Are there other reasons affecting decisions on unfair intentions?

**KIPO**

(i) the degree of fame of the well-known/famous mark;  
(ii) the degree of creativity of the well-known mark;  
(iii) whether the applicant prepared for a business using the registered trademark; or  
(iv) whether the designated goods/services are same or similar, or have economic relationship.

**OHIM**

Please see answer to Q1 above.

**USPTO**

The TTAB or a court has broad discretion to consider any number of factors that could provide circumstantial evidence of bad faith. For example, if an applicant has acted in bad faith during discovery and has not been forthcoming, this could be evidence of bad faith in adopting a mark.

- Is any relationship between the original owner of the trademark and the applicant required?

## **JPO**

The following are not mandatory requirements, but are factors to be considered in determining whether bad faith exists: (1) background involved with application, (2) applicants designated an excessively broad range of classes or goods or services, (3) applicants filed a large number of applications for unregistered trademarks of others, and (4) the relationship between the original owner of the trademark and the applicant.

The following gives relevant examples of court decisions: (1) “DUCERAM” Case: the court decided that the case would fall under Article 4, Paragraph (1), Item (vii) based on the illegality in negotiations with a foreign company and the applicant’s facts involved with filing, regardless of the well-known status of the foreign trademark (Tokyo High Court (Gyo-ke) No. 185 1998, Date of Court Decision November 22, 1999), and (2) “Asrock” Case: in this case, the court considered the circumstances; “(a) there was doubt as to whether the applicant was actually engaged in the manufacture and sale of goods related to electronic apparatus and devices,” and (b) “the applicant filed a large number of trademark applications related to electronic apparatus and devices, although there seemed to be almost no evidence to substantiate the applicant’s business activities (Intellectual Property High Court (Gyo-ke) No. 10297 2009, Date of Court Decision August 19, 2010). (For other examples or the details of court decisions, please see vii) below.)

## **KIPO**

No. However, if there is any relationship between the original owner of the trademark and the applicant, the possibility of recognizing the unfair intention by the IPT and/or Court become higher

## **OHIM**

Such a relationship is not a condition for a finding of bad faith, but it is a relevant factor that is taken into account in the assessment, in particular when there has been a prior contractual or pre-contractual relationship giving rise to a duty of fair play.

## **USPTO**

No, an opposer does not need to prove a relationship between the original owner of the trademark and applicant in order to establish bad faith.

- vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

## **JPO**

○"Asrock" case (Intellectual Property High Court (Gyo-ke) No. 10297 2009, Date of Court Decision August 19, 2010)

The Asrock case is a court case in which the court decided that the case would fall under Article 4, Paragraph (1), Item (vii), regardless of whether the cited trademark was well-known and/or famous at the time of filing. The reasons of this court decision are as follows: (1) when it has been confirmed that the applicant (the defendant) filed the trademark application preemptively by plagiarizing the other person's trademark, such trademark application could not be reasonably admitted on the basis of the spirit of the law, even though the first-to-file system exists in Japan in terms of filing trademark applications and the actual use of trademarks is not a requirement for registration, and (2) the defendant's trademark registration was also considered to be against the purpose of the Trademark Act, namely, Article 1, and obstructing fairness and justice in the trademark system.

○"KYOKUSHIN" case: Intellectual Property High Court (Gyo-ke) No.10032 2005, Date of Decision December 26, 2006. Rescission of a trial decision.

The KYOKUSHIN case is a court case in which the subject trademark was determined to fall under Article 4, Paragraph (1), Item (vii). In other words, the conditions of the case were: (1) the background of the trademark application significantly lacked social mores, and (2) the approval of the trademark registration was manifestly intolerable as a trademark that was against the public mores and morality, which are implied in the Trademark Act.

○"DUCERAM" case: Tokyo High Court (Gyo-ke) No. 185 1998, Date of Decision November 22, 1999.

The DUCERAM case is a court case in which the subject trademark was determined to fall under Article 4, Paragraph (1), Item (vii), based on the illegality in negotiations with a foreign company and the background facts involved with filing, regardless of the well-known status of the subject foreign trademark.

○"Kranzle" case: Intellectual Property High Court (Gyo-ke) No. 10668 2005, Date of Decision December 12, 2005.

The Kranzle case is a court case in which the subject trademark was determined to fall under Article 4, Paragraph (1), Item (vii). In the Kranzle case, the plaintiff (the applicant of the subject trademark) claimed that Article 4, Paragraph (1), Item (vii) stipulates that a trademark is to be prohibited on the basis of public benefit, and that a self-oriented private interest should not be subject to Article 4, Paragraph (1), Item (vii). On the other hand, the defendant claimed that the plaintiff had filed the trademark application for unfair purposes without the defendant's permission, only with reference materials showing that the plaintiff had been the defendant's distributor in Japan. In other words, the defendant insisted that the plaintiff's trademark registration was absolutely intolerable and was not due to a merely private interest claimed by the plaintiff, because; (1) the plaintiff had filed the trademark application by pretending to gain acceptance or consent of the Kränzle company of Germany (the defendant) and had obtained trademark rights for this trademark, (2) accordingly, the applicant's background with this trademark registration significantly lacked social validity, and (3) the approval of this trademark registration would disrupt business transactions and be ultimately contrary to international fidelity.

#### **KIPO**

Case No. 2007Heo2626 rendered on June 25, 2008 by the Patent Court (this case was supported by the Supreme Court)

The Court stated that the Defendant (the registrant for TOM & JERRY mark) had filed the "TOM & JERRY with device (Subject Mark) in unfair intention, i.e., as an imitation of the owner for famous TOM & JERRY Character mark (Plaintiff)'s character to exploit or cause damage to the Plaintiff or its licensees. It reasoned:

- (i) The Plaintiff had already registered 13 trademarks in Korea for the TOM & JERRY character and/or words, one of which was almost identical to the Subject Mark.
- (ii) The Defendant later filed and registered 50+ marks for Tom and/or Jerry Characters, some of which were identical to the Plaintiff's marks registered in Korea.
- (iii) The licensees in Korea had sold considerable quantities of goods bearing the Plaintiff's character.
- (iv) Since December 28, 2007, the Tom and Jerry Story (<http://www.tomandjerry.kr>; the Defendant's representative online seller) posted that "Warner Bros." had granted it a trademark license and it was the worldwide, exclusive manufacturer of TOM & JERRY bedding.
- (v) Since February 22, 2007, the Defendant demanded that the Plaintiff's local licensees cease use of the TOM & JERRY character due to trademark infringement, while thereafter insisting that these licensees execute license agreements with the Defendant.

## **OHIM**

Please see answer to Q1 above.

## **SAIC**

(1) No. 1611206 "黑面蔡" trademark opposition issue: 廖照雄氏(hereinafter referred to as an opponent) employing Beijing 天平 Patent & Trademark Agent Ltd. as an agent submitted opposition to 錦美食品 SHOKO (hereinafter referred to as appellee) employing Sichuan Trademark Office as an agent regarding to Trademark No. 1611206 "黑面蔡" which passed the early examination of our office and appeared in the "trademark bulletin," and our office accepted the opposition based on Section 30 of the "China Trademark Law." The appellee has not answered to it within a predetermined time limit.

The reason for the opposition of the opponent: the trademark “黑面蔡” is originally possessed by 黑面蔡 Food Co. Ltd., and it is mainly used for beverage-based goods, the “黑面蔡” brand has extremely high name recognition in Taiwan and all places where Taiwanese are living. The opponent is one of the executive directors of 黑面蔡 Food Co. Ltd. On September 25 in 1996, the opponent purchased 56 trademarks including “黑面蔡” through the Taiwan Court and got their right of exclusive use.

The name of the holder (appellee) of the trademark right of the said opposition issue is 錦美 Food SHOKO, and the person in charge of this company is Mr. 江美珠 who is also the supervisor of 黑面蔡 Food Co. Ltd.

Trademark "黑面蔡" is a famous brand created by 黑面蔡 Food Co. Ltd., so, Mr. 江美珠 should know that Trademark "黑面蔡" and 56 trademarks of "黑面蔡" are already belonged to the opponent. The act of the holder (appellee) of the trademark right is a misappropriated application, and use and registration of the trademark under opposition has extremely damaged the opponent i.e. the original right holder of the trademark "黑面蔡."

The view of our office based on statements of facts and reasons by the party concerned is as follows: Trademark "黑面蔡" under opposition is a trademark of pure Chinese (spelling), which is registered on April 24 in 2000 and designated to goods, such as "bovine milk beverage (mainly made of bovine milk)" in 29<sup>th</sup> class, milk tea (mainly made of milk), and cacao bovine milk (mainly made of milk). The opponent calls himself as the holder of the right of Trademark "黑面蔡," and the appellee has filed and

registered the said trademark. At the same time, the opponent provided the following sources of evidence (copy):

1. Registration document of 黑面蔡 Food Co. Ltd.
2. Trademark transfer registration literature published by Central Standards Division, Economic Department, Taiwan Ministry;
3. The registration card of Trademark "黑面蔡" in Taiwan;
4. The employer certificate of registration of 錦美 Food SHOKO, etc.

Evidence 1. Name of Mr. 廖照雄 appears in the name list of the executive board members of 黑面蔡 Food Co. Ltd.

Evidence 2. The opponent has acquired the rights of trademarks No. 119123, 123596, etc, (Taiwan area) through cession and registered of the transfer at Central Standards Division, Economic Department, Taiwan Ministry.

Evidence 3. The holder of the right of No. 119123 Trademark "黑面蔡" (Taiwan area) is Mr. 廖照雄 i.e. the opponent.

Evidence 4. The person in charge of 錦美 Food SHOKO i.e. holder of the said trademark (appellee) is Mr. 江美珠. Although the above sources of evidence are copies, the relative relationship of them can be proofed, thereby, they are worthy of belief for our office. Therefore, the holder of the said trademark (appellee) should know the fact that Trademark "黑面蔡" is possessed by the opponent in Taiwan area. Nevertheless, the act of the holder of the said trademark (appellee) for filing to register objected Trademark "黑面蔡" with respect to our office acts against the principle of faith and trust.

On the basis of Section 33 of the "China Trademark Law," our office decided this case as follows: the reason for opposition of the opponent establishes, thereby, registration of Trademark No. 1611206 "黑面蔡" is not permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied to this decision, the party concerned can apply for a new trial to Trademark Tribunal within fifteen days from the date of this decision.

(2) No. 1033444 Crayon Shin-chan figure trademark disputed issue:

The pending trademark is filed to the Trademark Office on January 9, 1996, by Guangzhou city 誠益 Glass Company and registered on June 21, 1997, and designated to use for goods, such as, clothes of 25<sup>th</sup> class, subsequently the expiring date of the right of trademark was extended to June 20, 2017 through a renewal procedure.

Through the Trademark Office, firstly, the pending trademark was previously transferred to the 響水県世福経済発展 Inc. and after that, transferred to 江蘇蠟筆小新服飾 Inc. That is, it is the appellee of this opposition issue.

The opponent (Japan Futabasha Publishers, Ltd.) required for revoking the registration of the pending trademark on March 8, 2007.

The actual condition of the misappropriated application by the original holder of the right of the pending trademark (Guangzhou city 誠益 Glass Company): Guangzhou city 誠益 Glass Company has filed and registered the following trademarks in a number of categories, such as, categories of 9<sup>th</sup>, 18<sup>th</sup>, 25<sup>th</sup>, 44<sup>th</sup>:

「SNOOPY」、「史诺比」、「梦迪娇」、「蒙特娇」、「浪琴」、「Burberrys」、「CHANEL」、「WALT DISNEY」、「POLO CLUB」、「Gillette」、「VOLVO」、「高露洁」、「GUESS」、「Calvin Klein」、「BETU」、「百图」、「FENDI」  
"SNOOPY," "史诺比," "梦迪娇," "蒙特娇," "浪琴," "Burberrys," "CHANEL,"  
"WALT DISNEY," "POLO CLUB," "Gillette," "VOLVO," "高露洁," "GUESS,"  
"Calvin Klein," "BETU," "百图," "FENDI"

The above trademarks have been opposed and applied for a new trial, or required for revoking the registration as improper trademarks by the holders of relevant right. Both of the Trademark Office and our Committee determined that the former holder of the right of the pending trademarks has copied or imitated well-known trademarks with bad faith, and, as a result of total consideration of the actual conditions of other trademarks that are the same as or similar to well-known trademarks, filed and registered by the former holder of the pending trademarks, decided to revoke the registration of the respective trademarks based on the ground that the holder acted against the principle of faith and trust and mislead consumers.

The main claim of the opponent (Japan Futabasha Publishers, Ltd.): artworks of "蠟筆小新" (Crayon Shin-chan) are works designed uniquely by Mr. Usui Yoshito, and it is



impossible for the holder to design the same person perfectly.

Since the image of "Crayon Shin-chan" is spread broadly in China with high name recognition, it is difficult for the holder to say that he did not know the fact, thereby, holder's intention of plagiarism and misappropriated application are very clear.

The original holder of the pending trademark (Guangzhou city 誠益 Glass Company) has filed misappropriated applications of total nine trademarks including the pending trademark in classes of 9<sup>th</sup>, 16<sup>th</sup>, 18<sup>th</sup>, 25<sup>th</sup> and 28<sup>th</sup>, further profited unfairly through transferring the misappropriate trademarks, thereby the bad faith of the holder is clear.

The original holder of the pending trademark (Guangzhou city 誠益 Glass Company), not only filed misappropriated application of the trademark of "Crayon Shin-chan" series of the opponent, but also filed and registered nearly 50 famous trademarks of other parties in 9<sup>th</sup> class, after that.

Examples of them include globally famous brands, such as Colgate, SNOOPY, and 7UP.

The former holder of the pending trademark (Guangzhou city 誠益 Glass Company), has filed misappropriated application of other party's trademarks for a long time period, thereby, the company can be seen as an unfair company.

The above act of the original holder of the pending trademark is already recognized as an act of unfair competition constituting infringement of other party's right and misappropriated application of other party's trademark by Beijing high people's Court.

The characters and figures of "Crayon Shin-chan" submitted by the opponent as sources of evidence have stronger originality and obviousness, and they are already known with comparatively high name recognition in Japan, Hong Kong, and Taiwan before filing of the pending trademark.

Since the hub of the original holder of the pending trademark is Guangzhou neighboring to Hong Kong, the holder must be aware of the characters or images for animation of "Crayon Shin-chan" by judging from the name recognition of "Crayon Shin-chan," and the fact of filing and registering the trademark of them in Mainland China in spite of this, gives subjective bad faith.

As a result of totally considering the fact that the original holder of the pending trademark has filed misappropriated application of other party's famous trademarks in a large scale, the act of the original holder to file and register the pending trademark acts against the principle of faith and trust, disturbs management and order of Trademark registration and public order, damages public benefit, thereby registration of the pending trademark falls under "registration under other unfair measures" in Section 41(1) of the "Trademark Law."

Therefore, according to provisions of Section 41(1) and Section 43 of the "China Trademark Law," our Committee decided as follows: registration of the pending trademarks shall be revoked.

(3) No. 4809737 Trademark "ERE" disputed issue:

The applicant (東方希望包頭稀土鋁（鋁）業有限責任公司) request the appellee (the holder of the trademark right: 何天慶370728690812021) to erase registration of registered trademark No. 4809737 "ERE" (hereinafter referred to as the pending trademark). Our Committee legally received the request and constituted a judicial group according to the provision of Act 24 of "Trademark Review and Adjudication Rules" and legally held a trial.

Allegations of the opponent:

1. "ERE" i.e. the pending trademark is the abbreviated name of the English name of the opponent company, the opponent has been using Trademark "ERE" in manufacture and sale of an aluminum metal, since the company was established on October 28, 2003, and the beginning time of its use is clearly before the filing date of the pending trademark.
2. The "ERE" aluminum metal produced by the opponent has substantial influence in markets all over the country, and the opponent has also received high concern and support of the (Communist) party and Government as one of important project among national high recommendation enterprises. Moreover, since the opponent is a very large-sized aluminum power company, and has also great influence within the industry, the opponent have greatly contributed to society, while developing itself.
3. The appellee (holder of the trademark right i.e. 何天慶), in spite of lacking of producing capacity, has registered Trademark "ERE" for goods in 6<sup>th</sup> class as a

position of individual and other many trademarks, such as, "齐鲁雄风", "齐鲁骄子", and "巴蜀骄子", however, the holder does not engaged in production and operation of the relevant goods. Moreover, the appellee (holder of the trademark right i.e. 何天慶) and 孫欣 (trademark representative) have a kinship, and 孫欣 has been committed to misappropriated applications of trademarks and unjust extortion acts for a long period and has received written ultimatum from the national Trademark Office.

The appellee, after filing the misappropriated application of Trademark "ERE," using the power of the right has demanded to seizure of "ERE" brand aluminum metals exceeding 1000 tons to the Commerce and industry Office of several countries together with 孫欣 etc. and has wrung money out of the opponent, and as a result the applicant has damaged by exceeding two million yuan. The above act not only breaks the "Trademark Law," but also violates criminal relating laws. Thus, according to provisions in Section 31 and Section 41 of the "Trademark Law," the opponent demands to erase the pending trademark.

The opponent submitted to our Committee main sources of evidence for the following three parts:

Sources of evidence of part I:

1. Documents prepared when the opponent filed Trademark "ERE" on November 5, 2003 and the trademark was registered for goods of rare earth aluminum of 1<sup>st</sup> class:
2. Press information where, on November 3, 2003, Communist Party Committee Secretary of Inner Mongolia Autonomous Region visited to the opponent and witnessed and stated that representation of "ERE" was printed on the aluminum metal produced by the opponent:
3. Information published by branch of rare earth 高新区 of Baotou Shi Commerce and industry Office, proving the scale of production/sale of aluminum metal products where the opponent used Trademark "ERE":
4. Supply/sales contract (documents, divided to three parts) of aluminum metal products signed between the opponent and Baotou aluminum business stock Inc. in 2004:
5. Information published by two companies, such as, Baotou Shi 青山特鑄 Inc. proving that the opponent has ordered the mold of "ERE" aluminum metal since 2004:

6. Press information regarding aluminum metal relevant to "ERE" of the opponent, appearing in "東方稀鋁（鋁）報" in February and May, 2004, and in January, 2005

Sources of evidence of part II:

1. Information of the opponent regarding production scale, situation of tax payment, and situation of sale/quality of the "ERE" brand aluminum metal products:
2. Press information when the national leader visited to the opponent:
3. Financial report of the opponent from FY2004 to FY2007, and information regarding audit of revenue report in fiscal 2006 and FY2007:
4. The receipts of partial added-value taxes when the opponent sold the aluminum metal products across the country:
5. Vouchers published by nine companies, such as Hangzhou metallic material Limited Company, proving that they purchased "ERE" brand aluminum metal products of the opponent, since 2004:

Sources of evidence of part III:

1. Information regarding results of survey on the other several trademarks possessed by the appellee (the holder of the trademark i.e. 何天慶), such as "齐鲁雄风":
2. Personal information of the appellee (the holder of the trademark i.e. 何天慶), 孫欣 and 何桂芳, such as census register:
3. "Written ultimatum regarding to the act of representative 孫欣 to illegally file a misappropriated application of other party's trademark" published by the Trademark Office in 1998:
4. "Notification of executing enforcement measures" and "notification of suspending treatment" made against the "ERE" brand aluminum metals of the opponent by the Commerce and industry Offices of Zibo, Wuxi, Tianjin and Baotou:
5. Sources of evidence of CD disk in which dialogues when the appellee (the holder of

the trademark right i.e. 何天慶) together with 孫欣 etc. demanded high transfer expenses of the trademark against the opponent is recorded:

Allegations of the appellee (the holder of the trademark right i.e. 何天慶):

1. The appellee satisfies the proactive competency as the applicant of a trademark:
2. Trademark "ERE" did not reach to the standard of a famous trademark, and since no transaction is present between the appellee and the opponent before filing, the appellee did not know the fact that the opponent had already used the pending trademark for aluminum metals. Moreover it was legal for the appellee to register the pending trademark, and the allegations submitted by the opponent are accompanied with no facts.
3. Although the opponent claims the prior use of itself, the Trademark Law of our country is specified to employ the first-to-file rule, and the Trademark Law provides that filing misappropriated application of a trademark that enjoys substantial influence to another party, and the pending trademark does not fall under this case.
4. Even if the opponent used the pending trademark previously for aluminum metals, there is no fact that the opponent used it previously for other goods and also no fact that the pending trademark has comparatively high name recognition.
5. Although the opponent thinks that it is possible to prove that the appellee filed a misappropriated application of other party's trademark, it is not the case.

The results of trial examination and consideration of our Committee are as follows:

1. The pending trademark was filed to the Trademark Office by the holder of the trademark (何天慶) on August 1, 2005, and registered through the Trademark Office on June 7, 2007.

Target products for use are products of 6<sup>th</sup> class, such as cast steel, a steel wire, a metal plate, an aluminum metal, a metal door, a building with a steel frame structure, alloy steel, a metal instrument, an alloy of common metals, and a metal tube.

2. The holder of the trademark right (何天慶) is one company member of Zhucheng chemical industry Co., Ltd, and is one (founder) of the two stockholders of Shandong

Qilu Trademark Office Inc. 何桂芳 is an elder sister of the holder of the trademark right (何天慶), and another (founder) of the two stockholders of Shandong Qilu Trademark Office Inc. 孫欣 is a husband of 何天慶, and one of executives of Shandong Trademark Office (belongs to the Commerce and industry Office, he does not leave from the office yet). The above facts are documented proofs of trademark papers and statements and sources of evidences of both sides.

Our Committee recognizes that there are two focuses in this disputed issue.

1. Whether the pending trademark is applicable to Section 31 of the "Trademark Law" for "aluminum metals" and similar goods or not.
2. Whether the pending trademark is applicable to Section 41(1) of the "Trademark Law" to erase registrations of the pending trademark for all goods or not.

Our Committee's opinion regarding to focus 1 is as follows:

1. The sources of evidence of parts I and II of the opponent sufficiently prove that, before the filing date of the holder of the trademark right (何天慶), the opponent has already continually used the pending trademark (Trademark "ERE") for products of aluminum metal produced by the opponent, and the pending trademark has had already substantial influence.
2. The decision whether the holder of the trademark right (何天慶) had bad faith or not, is as follows:
  1. Trademark "ERE" is a combination of alphabets with no specific meaning, and has a substantial originality.
  2. The holder of the trademark right (何天慶) does not have production conditions when the pending trademark is used for goods of 6<sup>th</sup> class.
  3. The evidences 4 and 5 of part III of the opponent prove that, immediately after filing the pending trademark, the holder of the trademark right (何天慶) executed legal enforcement measures of the products of "ERE" brand aluminum metal of the opponent against several Industry & Commerce administrative departments in rapid succession, and more than 1000 tons of cargoes were impounded and seized.

In addition to this, the holder together with 孫欣 threatened the opponent and intended to obtain unfair profit, such as high transfer expenses of the trademark.

From the above three grounds, it is assumable that the holder of the trademark right (何天慶) clearly recognized the pending trademark of the opponent, and then filed the misappropriated application intending profit unfairly, thereby, the holder clearly had bad faith.

Thus, the fact that the pending trademark is registered for "aluminum metal" and the similar goods falls under the situation in Section 31 of the "Trademark Law" where "a misappropriated application of a trademark that is already in use by another party and enjoys substantial influence, is filed in an unfair manner."

Our Committee's opinion regarding to focus 2 is as follows:

Filing and registration of a trademark should satisfy the provision in Section 4 of the "Trademark Law" that "it is required for a natural person, a juridical person and another organization pertaining to production, manufacture, processing, selection and distribution of goods to possess the exclusive registered right of a trademark (relating to the goods) and to file the trademark application of the goods to the Trademark Office, and it is required for a natural person, a juridical person and another organization pertaining to a service to possess the exclusive registered right of a trademark (relating to the service) and to file the trademark application of the service of goods to the Trademark Office."

That is, registration of a trademark should be conducted based on a legitimate operation action, the demand of production, and the purpose of the production.

If registration of a trademark causes unfair profit, misappropriated application, damage the legitimate right of the other party, disruption of management and order of trademarks, and treachery to orderly market of fair competition and faith and trust, the act acts against the above provision, and will fall under the provision in Section 41(1) of the "Trademark Law" that "achieving registration in other unfair manners", thereby, the act should be stopped, and the registration of a trademark registered in an unfair manner should be erased.

In this issue, 1. the holder of the trademark (何天慶) is one of ordinary laborers of a chemical plant and a stockholder of a trademark agent, and did not engaged in the goods

and business for which the pending trademark is used, in the past, and does not have competency for production and operation which are relevant to the goods, and did not move into action of, such as, production and operation which are relevant to the goods, after the registration of the pending trademark, in addition,

in addition to this, in the midst of international financial crunch, the holder, regardless of orderly market and together with 孫欣 etc. executed legal enforcement measures of the products of "ERE" brand aluminum metal of the opponent against Industry & Commerce administrative departments of countries, such as, Zibo, Wuxi, Tianjin and Baotou, in rapid succession, to impound and seize more than 1000tons of cargoes of the opponent, and further, threatened the opponent to pay high transfer expenses of the trademark.

It is proved that in the acts of the holder of trademark right (何天慶) and 孫欣 etc. the purpose of filing and registration of the pending trademark is to obtain unfair profit and not to satisfy the original demand for production and operation action.

In addition, they already have caused extensive damage to the other markets of production and operation, and also have caused very bad influence on orderly market economy, resulting in extensive damage to the public interest of the business managers of related industries.

2. The holder of trademark right (何天慶) etc. while plotted together, have accused Industry & Commerce administrative departments of several countries against the products of the opponent. 孫欣, who is a trademark agent and committed extortion (against other person) in order to obtain unfair profit, is one of executives of Shandong Trademark Office, since 1993, together with his families and friends, he filed a misappropriated application of other party's trademark, and transferred it at high expenses to obtain economic profit in an unfair manner.

On November 11, 1998, the Trademark Office notified Shandong Commerce and industry Office and Shandong Trademark Office to strongly punish 孫欣 in written ultimatum (trademark 監 No.452,1998).

孫欣, not only did not change his behavior while considering of his own motive, but also continuously engaged in agency business as a trademark agent together with 何天慶 etc. under the name of Shandong Qilu Trademark Office Inc. Their act of filing a misappropriated application of other party's trademark to obtain unfair profit is very



bad.

On March 18, 2009, the Trademark Office again pointed out Shandong Commerce and industry Office that acts of 孫欣 and 何天慶 etc. already acted against the original intention of the Trademark Law, breached professional ethics of a trademark agent to break the image of the trademark agent, and gave significant loss to related parties and very bad influence to social activity, and thereby, notified the Office to strongly punish 孫欣 and 何天慶 etc. in written ultimatum (trademark 質字 No.57,2009).

The conclusion of the above matters is as follows: the application of 孫欣 and 何天慶 etc. is not intended to conduct production and operation action (relating to the pending trademark), instead, it is a misappropriated application. Their act, by which they obtained an unfair profit while utilizing exclusive registered right protection system of a registered trademark, acted against the intention of the Trademark Law, not only significantly damaged other party's legitimate right and profit, but also, gave very bad influence to social activity, disrupted management and order of trademarks and orderly market economy, and damaged social public interest. The unfair act of filing a misappropriated application acts against Section 4 of the "Trademark Law" providing that a trademark is registered for legitimate production and operation, and falls under the provision that "achieving registration in other unfair manners," thereby, the registration of the pending trademark shall be erased for all designated goods.

Thus, according to Sections 4, 31, 41(1) and (2), and 43 of the "China Trademark Law," our Committee decided as follows:

The registration of the pending trademark shall be erased. The party concerned, if being dissatisfied with this decision, can file an action to Beijing No.1 Intermediate People's Court within 30 days from the date when the party received this written judgment.

At the same time or within 15 days when submitted charging document to People's Court, the party concerned should notify our Committee the charging by sending copy of the charging document by mail or in writing.

## **USPTO**

*Estrada v. Telefonos de Mexico, S.A.B. de C.V.*, 447 F. App'x 197 (Fed. Cir. 2011). The Federal Circuit upheld the Trademark Trial and Appeal Board, finding likelihood of confusion and that the applicant acted in bad faith in adopting the mark. Applicant Andres Estrada filed for the mark AUDITORIO TELMEX for arena services and

entertainment services. Telefonos de Mexico (opposer) challenged the application based on likelihood of confusion with the common law TELMEX mark for telecommunication services. Although Opposer's mark was in use in the U.S., it had no significant market share or proof of fame. Applicant claimed it made up the mark. Opposer has used the TELMEX mark for over 60 years in Mexico for telecommunication services. Applicant lived in Mexico for nearly 30 years, and lived within 10 miles of the AUDITORIO TELMEX arena sponsored by Opposer, and exhibited bad faith in litigating the case. Under these circumstances, the Court agreed that Applicant's bad faith weighed in support of a finding of likelihood of confusion. 447 F. App'x 197 (Fed. Cir. 2011).

*Carr v. Garnes*, Opposition No. 91171220, 2010 WL 4780321 (TTAB Nov. 8, 2010) [not precedential]. The TTAB found a likelihood of confusion between the mark FROM AFROS TO SHELLTOES ART, ACTION, AND CONVERSATION for educational services, namely, conducting workshops and seminars in arts and entertainment, hip-hop, cross generational relationships, community building, and art as a political force to lessen misunderstandings between civil rights and hip hop generations, and the common law mark AFROS-N-SHELLTOES ENTERTAINMENT for "disc jockey services and artist management and promotion services, including the representation of rappers, singers and poets, as well as the representation of managers who want to promote their acts and groups." The TTAB found that Applicant Garnes acted in bad faith. Carr had spoken with attorney Marvin Arrington in 2004 regarding his business. Seven months later the attorney formed a corporation with Applicant Garnes and filed the application. Moreover, the parties are both located in Georgia, advertise in the same newspaper, and use the unusual term "shelltoes" in their marks. Applicant did not give an explanation as to how he came to adopt his mark under these circumstances. The TTAB sustained the opposition on the grounds of likelihood of confusion based on the similarity of the marks and services, the identical trade channels, and the fact that applicant acted in bad faith.

### **Q3. From The View of “Protecting Well-Known/Famous”**

Can a bad-faith filing be refused (or invalidated) based on legislation for well-known/famous marks, including protection against trademark dilution? (Yes/No)

**JPO**

Yes.

**KIPO**

Yes.

**OHIM**

There is no separate legislation with regard to bad faith relating to a well-known or famous mark. However, 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 (CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase').

**SAIC**

Yes.

**USPTO**

Yes, a bad faith filing may be refused or invalidated based on legislation for well-known/famous mark, including trademark dilution.

IF YES:

- i) Please provide provision(s) of the relevant laws or regulations.

**JPO**

Article 4, Paragraph (1) "Notwithstanding the preceding Article, no trademark shall be registered if the trademark:"

Item (x)

"[the trademark] is identical with, or similar to, another person's trademark which is well known among consumers as that indicating goods or services in connection with the person's business, if such a trademark is used in connection with such goods or services or goods or services similar thereto;"

(xv)

"[the trademark] is likely to cause confusion in connection with the goods or services pertaining to a business of another person (except those listed in items (x) to (xiv) inclusive);"

(xix)

"[the trademark] is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to

the purpose of gaining unfair profits, the purpose of causing damage to the other person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding items);

### **KIPO**

TMA Article 7(1)(12)

### **OHIM**

Please see answer to Q1 above.

### **SAIC**

Section 13 of the "Trademark Law" provides that "where a mark is the reproduction, imitation, or translation of other party's famous trademark which has not been registered in China in respect of identical or similar goods, which may cause public confusion, no registration shall be granted and the use of the mark shall be prohibited." Where a mark the a reproduction, imitation, or translation of other party's famous trademark which has already been registered in China in respect of different or non-similar goods, which may mislead consumers and cause damage the interests of the registrant of the famous trademark, no registration shall be granted and the use of the trademark shall be prohibited.

### **USPTO**

In the U.S., well-known marks are protected through a likelihood of confusion analysis (15 U.S.C. §1052(d)), false association (15 U.S.C. §1052(a) and 15 U.S.C. §1125(a)), misrepresentation of source (15 U.S.C. §1064(3)), and dilution (15 U.S.C. §1125(c)). In determining likelihood of confusion, the TTAB or court will weigh a number of factors, including the fame of a mark (how well-known it is), bad faith intent, and similarities of the marks and goods or services. *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961); *J & J Snack Foods Corp. v. McDonald's Corp.*, 932 F.2d 1460, 1462 (Fed. Cir. 1991). 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. Moreover, the Board and the courts have flexibility in determining priority of use. "A party may establish its own prior proprietary rights in a mark through ownership of a prior registration, actual use or through use analogous to trademark use, such as use in advertising brochures, trade publications, catalogues, newspaper advertisements and Internet websites which create a public awareness of the designation as a trademark

identifying the party as a source.” *Giersch v. Scripps Networks Inc.*, 90 USPQ2d 1020, 1022 (TTAB 2009).

The Trademark Dilution Revision Act of 2006 (TDRA) (15 U.S.C. § 1125(c)) provides for dilution by blurring or tarnishment. The TDRA defines “dilution by blurring” as an “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous

mark.” The TDRA provides the following list of non-exhaustive factors that courts may consider in assessing dilution by blurring claims:

- (i) The degree of similarity between the mark or trade name and the famous mark.
- (ii) The degree of inherent or acquired distinctiveness of the famous mark.
- (iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.
- (iv) The degree of recognition of the famous mark.
- (v) ***Whether the user of the mark or trade name intended to create an association with the famous mark.***
- (vi) Any actual association between the mark or trade name and the famous mark.

15 U.S.C. § 1125(c)(2)(B). As noted, bad faith intent is a factor considered by the Board or court in determining dilution by blurring.

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, 15 U.S.C. § 1064(3). 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).

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. An examiner may use Section

2(a) to refuse registration even in cases where the name of the well-known person, institution, beliefs or national symbols are not registered. 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.

As with claims for likelihood of confusion and dilution, although bad faith intent is not necessary to establish a claim, a finding of bad faith intent would weigh in favor of a finding of false association. See *University of Notre Dame Du Lac v. J.C. Gourmet Food Imports Co.*, 703 F.2d 1372, 1377 (Fed. Cir. 1983).

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

### **JPO**

At the time of filing their applications and at the time of examiners' decision on them.

### **KIPO**

At the time when the bad-faith applicant's trademark application filed with the Korean Intellectual Property Office (hereinafter "KIPO")

### **OHIM**

Please see answer to Q1 above.

### **SAIC**

The above provisions may apply during the proceedings of opposition and proceedings of trial against the examiner's decision of a trademark, after the final decision by the examiners.

### **USPTO**

A mark must be considered well-known or famous at the time the bad faith mark is

adopted.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

**JPO**

Bad faith filings can be legally refused by ex-officio examination. Furthermore, they can be determined in opposition proceedings or trials for invalidation (cancellation).

**KIPO**

The above provision can be determined by ex-officio examination. Further, during an opposition or invalidation action, the plaintiff can also raise an argument that a mark is filed with unfair intention.

**OHIM**

Please see answer to Q1 above.

**SAIC**

They may apply during the subsequent proceedings of opposition and proceedings of trial against the examiner's decision.

**USPTO**

An examiner would not typically consider bad faith during ex-officio examination for likelihood of confusion or false association. Bad faith would be considered during opposition or cancellation.

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

**JPO**

The burden of proof rests on the parties who claim that the said trademark falls under Article 4, Paragraph (1), Item (x), (xv), and (xix).

**KIPO**

In general, the owner for well-known or famous mark bears the burden of proving there was bad faith in filing the bad-faith trademark application.

## **OHIM**

Please see answer to Q1 above.

## **SAIC**

There are rules of burden of proof, and the holder of a trademark bears it. Examples of case where misappropriation is presumed and established include a case where a trademark under a misappropriated application has sufficient sources of evidence as a famous trademark and a strong originality. There are a few cases where misappropriation is presumed and established.

## **USPTO**

The burden is on the opposer/challenger to prove fame as well as bad faith intent by a preponderance of the evidence. However, an opposer may use circumstantial evidence of bad faith to support its claim, since direct evidence of bad faith is rarely available.

v) Please provide examination guidelines.

## **JPO**

Article 4(1)(x) (Well-Known Trademark of Another Person)

1. “Trademark which is well known among consumers” as prescribed in this paragraph includes not only a trademark which is widely recognized among end consumers but also a trademark which is widely recognized among traders in the industry and also includes not only a trademark which is known throughout the country but also a trademark which is widely recognized in a certain area.
2. A trademark to be cited for the application of the provision of this paragraph needs to be widely recognized among domestic consumers in Japan at a time when an application for the registration of a trademark is filed (refer to Article 4(3)).
3. To prove a trademark’s being well known under the provision of this paragraph, the provisions of Items 3(1) and (2) of Chapter II (Article 3(2)) of the Guidelines apply *mutatis mutandis*.
4. A combination of another person’s unregistered trademark “well known among consumers” and characters or diagrams are, in principle, considered “similar” to the unregistered trademark including those trademarks which the description of the composition of appearance is well united or conceptually related.

However, cases when portions of the unregistered trademark constitute part of an established word or when it is clear that the unregistered trademark is considerably different in appearance sound or concept, then the unregistered trademark will be excluded.

(Examples) Examples are the same as in Item 6(6), Part 9 (Article 4(1)(xi)), Chapter III of the



Guidelines.

5. Concerning a trademark related to goods or services special in the manner of their transaction or provision (for example, goods such as medicines and drugs for medical use which are distributed in a specific market, or services to test and examine medicines or to research medicines which are provided only in a limited market), full consideration needs to be given to, in particular, the actual state of transaction of the goods concerned or the provision of the services concerned with respect to the above 3 proving method and the recognition based thereon of a trademark's being well known.
6. In judging whether a foreign trademark is well known in Japan, full consideration needs to be given to, if submitted, materials showing that the trademark concerned is well known in a foreign country and goods on which the trademark is used are exported to several countries or services bearing the trademark are rendered in several countries.
7. In judging whether trademarks registered as defensive trademarks or those trademarks which the trial decision or the court decision prescribes to be well known among consumers (Note 1), it shall be assumed from the registration or the approval that the trademark is well known among consumers.

(Note 1) Trademarks may be searched through the Internet under "Japanese well-known trademarks" in the Japan Platform for Patent Information provided by the Patent Office.

(Reference) For further details related to the "trademarks well known among consumers," refer to the Trademark Examination Manual.

#### Article 4(1)(xv) (Confusion over the Source of Goods and Services)

1. "... likely to cause confusion in connection with the goods or services pertaining to a business of another person" applies not only in case where the users of goods or services are likely to be confused over the source of the goods or services with the goods or services concerned mistakenly recognized as those connected with the business of other persons but also in case where the user of the goods or services are likely to be confused over the source of the goods or services with the goods or services concerned mistakenly recognized as connected with the business of a person who has a certain economic or organizational relationship with other persons.

The following are examples of conceivable cases.

- (1) In case where a trademark used by a business operator A with respect to goods G connected with its own business has become well known throughout Japan, the use of the trademark by a business operator B with respect to goods X (although not similar to the goods G and having no relationship with the goods G in respect of its manufacturer, seller, distribution route, materials, intended purpose, etc.) connected with its own business leads consumers to see the goods X not as goods connected with the business of the

business operator A but as goods connected with the business of another business operator A' having affiliated or other business relationship with the business operator A with confusion caused over the source of the goods (on the assumption of the presence of the business operator A' which does not actually exist).

(Note) The above case (1) applies to services with the word “goods” and “its manufacturer, seller, distribution route, materials, intended purpose, etc.” altered to read “services” and “the provider of the service and its provision means and purpose, articles for use for the provision of the service, etc.”

(2) In case where a trademark is used by a business operator A with respect to services connected with its own business has become known well throughout Japan, the use of the trademark by a business operator B with respect to goods (although not similar to the services of the business operator A) connected with its own business leads consumers to mistakenly recognize the goods as connected with another business of the business operator A with confusion caused over the source of the goods.

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

2. To judge the liability of a trademark “likely to cause confusion in connection with the goods or services pertaining to a business of another person” the following factors are comprehensively taken into consideration.

(a) How much the other person's trademark is known (the degree or dissemination of advertisement, publicity, etc.).

(b) Whether the other person's trademark is a creative mark.

(c) Whether the other person's trademark is a house mark.

(d) Whether there is the possibility of multiple businesses.

(e) Whether there is any relationship between goods, services or goods and services.

However, the judgment of above (a) may not be well known throughout the country.

3. To prove a trademark's being well known as in Item 2(a) above, the provisions of Items 3(1) and (2) of Chapter II (Article 3(2)) of the Guidelines apply *mutatis mutandis*.

4. A trademark with its part indicating a famous trademark of another person needs to be handled in the following manners:

(1) A trademark judged as similar to a registered famous trademark of another person and used for goods or services identical with or similar to the designated goods or designated services of that registered famous trademark falls under the provision of Article 4(1)(xi).

(2) A trademark liable to cause confusion over the source of a good or service, however it is recognized as not similar to a famous trademark of another person or is similar to a famous trademark of another person but used for different goods or services, falls under the provision of this paragraph, in principle.

(3) A trademark similar to a famous trademark of another person but not liable to cause confusion over the source of goods or services, if used for an unfair intention, falls under the provision of Article 4(1)(xix).

5. A combination of another person's registered trademark "well known among consumers" and other characters or diagrams are, in principle, handled so as that it may cause confusion in the source of the goods or services, including those trademarks which the description of the composition of appearance is well united or conceptually related.

However, exemptions will be made when a part of the well known trademark of another party consists of a segment of an established word, or, when it is clear that the source will not be confused in relation to the designated goods or designated services.

(Example)

Examples of trademarks which may cause confusion:

- "arenoma / アレノマ" for clothing with "renoma" (bags etc.)
- "PER · SONY," "PER SONY," or "PERSONY" for toys with "SONY" (electrical machinery and apparatus)

Examples of trademarks which will not cause confusion:

- "POLAROID" for cameras with "POLA" (cosmetics)

6. A trademark application with respect to a trademark which is liable to, if used by the applicant, cause confusion over the source of its goods or services with those of a trademark well known as a famous trademark overseas among consumers in Japan (not necessarily to final consumers) at the time of its filing (refer to Article 4(3)) is liable to be refused under the provision of this paragraph with that famous trademark cited as a reason for refusal.

7. To judge the liability of a trademark to cause confusion with goods or services connected with another person's business, full consideration is given to the actual state of their transaction.

8. A three-dimensional trademark indicating the shape of a building, if this shape of a building is widely recognized in Japan as the shape of another person's building before an application is filed for it, fall under the provision of this paragraph.

9. Judgment of whether the trademark is famous or not apply mutatis mutandis Item 7, Part8: Article 4(1)(x), Chapter III of the Guidelines.

Examination guidelines of Article 4, Paragraph (1), Item (xix)

Please see the above stated I.Q2.v).

## **KIPO**

Examination Guidelines Section 26.

## **OHIM**

Please see answer to Q1 above.

## **SAIC**

Section 14 of the "Trademark Law" provides that in case of recognizing a famous trademark, the following factors should be considered:

- (1) Public awareness with respect to the said trademark:
- (2) Period of continuous use (duration) of the said trademark:
- (3) Duration, degree, and geographical scope of advertising campaign of the said trademark:
- (4) Record indicating that the said trademark has been protected as a famous trademark:
- (5) Other factors by which the said trademark is recognized as a famous trademark

Section 5 of the "Enforcement Regulations of the Trademark Law" provides that if dispute occurs during the proceedings of trademark registration and trademark examination, in case where the said trademark falls under a famous trademark, the party concerned can request the Trademark Office or the Trademark Appeal Board to recognize the said trademark as a famous trademark, thereby, enabling to reject filing of a trademark registration application acting against the provisions in Section 13 of the Trademark Law and to erase trademark registration acting against the provisions in Section 13 of the Trademark Law. The party concerned should submit sources of evidence proving that the said trademark is a famous trademark at the time of filing. The Trademark Office and the Trademark Appeal Board shall make clear the fact, based on the appeal of the party concerned, and determine whether the said trademark is a famous trademark or not based on the provisions in Section 14 of the Trademark Law.

## **USPTO**

Examination guidelines are not applicable with regard to bad faith since examiners typically will not assess bad faith during examination.

vi) Please provide examination practices.

For example, please explain the practical steps and how to evaluate the following points.

- 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?

## **JPO**

There is no definition of “well-known,” “famous” and “reputed” trademarks in the Trademark Act of Japan.

The status of being famous or well known shall be determined, for example, by considering all of the following facts:

(1) The level of consumers’ awareness, which will be estimated through a quantitative grasp of the following facts involving the use of a trademark, will be utilized to judge the distinctiveness of a trademark.

- (i) A trademark actually in use and goods or services for which it is used
- (ii) The start of its use, the length of its use, or the area where it is used
- (iii) The volume of production, certification or delivery and a scale of business (number of stores, an area of business, an amount of sales, etc.)
- (iv) The method, frequency and contents of advertising
- (v) The number of times of appearance in general newspapers, trade journals, magazines and the internet, and contents thereof
- (vi) The outcome of the questionnaire regarding consumers’ awareness of the trademark

(2) The above facts (1) need to be proved by a method using evidence, including:

- (i) Printed matter (newspaper clippings, magazines, catalogues, leaflets, etc.) carrying advertisements, public notices, etc.
- (ii) Invoices, delivery slips, order slips, bills, receipts, account books, pamphlets, etc.
- (iii) Photographs, etc. showing the use of a trademark
- (iv) A certificate by an advertisement agency, broadcasting agency, publisher or printer;
- (v) A certificate by a trade association, fellow traders or consumers
- (vi) A certificate by a public organization, etc. (the state, a local public entity, a foreign embassy in Japan, a Chamber of Commerce and Industry, etc.)
- (vii) Articles in general newspapers, trade journals, magazines and the internet
- (viii) Outcome reports of the questionnaire intended for consumers regarding awareness of the trademark

However, due consideration will be given to the objectivity of the questionnaire with respect to the conductor, method, and respondents.

## **KIPO**

There is no definition as to 'well-known', 'famous' and 'reputed' trade marks in the TMA. And the IPT and/or Court require a trademark owner to submit a substantial amount of fame evidence including sales volumes, advertising expenditures, market shares, brand rankings, worldwide trademark registration, promotional materials.

## **OHIM**

Both well-known marks (Article 8(2)(c)CTMR) and trade marks with a reputation (Article 8(5) CTMR) are marks that can be used by their owner to raise an opposition against a CTM application or a declaration of invalidity of a registered CTM (Article 53(1)(a) CTMR). These are grounds for opposition and invalidity/cancellation that are independent of the invalidity ground of bad faith.

As mentioned above, 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 (CJ judgment of 11/06/2009, C-529/07, 'Lindt Goldhase'). Therefore, where there is an increased level of distinctiveness, for example well-known character or reputation, this should be taken into account as one of the factors, but it is not a pre-requisite for a finding of bad faith.

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.

#### **SAIC**

Please see answer to v) above.

#### **USPTO**

The United States considers the fame of a mark in the relevant sector of the public (whether it is “well-known”) in determining whether a mark is likely to cause confusion under Section 2(d) of the Trademark Act. A claim of dilution, however, requires a showing that the mark is “famous” in the United States, that it “is widely recognized by the general consuming public of the United States as a designation of source of the mark’s owner.” The U.S. does not have a separate standard for “reputed.”

TTAB judges use the following non-exhaustive list of factors to determine whether a mark is well-known or famous: degree of distinctiveness; duration and extent of use of the mark; duration and extent of advertising of the mark; extent of geographical trading area; channels of trade; degree of recognition of the mark in those channels of trade; nature and extent of use of same/similar marks by third parties; and whether the mark is registered.

- 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?

#### **JPO**

The time period and scope of use shall be considered as decisive factors in determining whether the original trademark is well-known.

#### **KIPO**

We think that if the well-known or reputed original mark was registered, then the bad-faith application can be rejected due to the similarity to the senior mark (i.e., the well-known or reputed original mark).

#### **OHIM**

Potentially, yes. This question is a factor in a case currently pending before the General Court of the EU (Decision of OHIM's Board of Appeal of 12 April 2012 in case R 645/2011-1, appealed to GC).

### **USPTO**

If a mark is registered at the USPTO, but has not been used in the United States for a period of three years, there is a presumption that the mark has been abandoned. If there is a finding of abandonment, subsequent use of the mark would not be considered bad faith.

- 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?

### **JPO**

Yes. Trademarks that are well known or famous only abroad but are not registered domestically can be protected according to Article 4(1)(xix) of the JPTMA.

### **KIPO**

Yes (TMA Article 7(1)(12))

### **OHIM**

No, there is no specific legislation or practice regarding trade marks that are famous only abroad.

### **USPTO**

The United States does not have legislation or practice that allows for protection of a mark that is only well-known or famous abroad and not in the United States.

- 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?

### **JPO**

"[A] trademark which is well-known among consumers abroad" needs to be well known in that country, but is not necessarily well known in multiple countries. Also, it does not need to be well known in Japan, too.



\* **The well-known or famous nature of trademarks** in foreign countries shall be determined, for example, by considering all of the following facts in those countries:

(1) The level of consumers' awareness, which will be estimated through a quantitative grasp of the following facts involving the use of a trademark, will be utilized to judge the distinctiveness of a trademark.

- (i) A trademark actually in use and goods or services for which it is used
- (ii) The start of its use, the length of its use, or the area where it is used
- (iii) The volume of production, certification or delivery and a scale of business (number of stores, an area of business, an amount of sales, etc.)
- (iv) The method, frequency and contents of advertising
- (v) The number of times of appearance in general newspapers, trade journals, magazines and the internet, and contents thereof
- (vi) The outcome of the questionnaire regarding consumers' awareness of the trademark

(2) The above facts (1) need to be proved by a method using evidence, including:

- (i) Printed matter (newspaper clippings, magazines, catalogues, leaflets, etc.) carrying advertisements, public notices, etc.
- (ii) Invoices, delivery slips, order slips, bills, receipts, account books, pamphlets, etc.
- (iii) Photographs, etc. showing the use of a trademark
- (iv) A certificate by an advertisement agency, broadcasting agency, publisher or printer;
- (v) A certificate by a trade association, fellow traders or consumers
- (vi) A certificate by a public organization, etc. (the state, a local public entity, a foreign embassy in Japan, a Chamber of Commerce and Industry, etc.)
- (vii) Articles in general newspapers, trade journals, magazines and the internet
- (viii) Outcome reports of the questionnaire intended for consumers regarding awareness of the trademark

However, due consideration will be given to the objectivity of the questionnaire with respect to the conductor, method, and respondents.

Also, trademarks, which trial decisions or court decisions determined to be well known among consumers, shall be presumably regarded as well-known trademarks among consumers based on their registrations or approvals. These trademarks are published in "a list of Japanese famous and well-known trademarks" in the Industrial Property Digital Library (IPDL) website provided by the JPO.

## **KIPO**

In this regard, we would like to explain the history of TMA 7(1)(12). Before July 1, 2007, even though the previous TMA (before July 1, 2007) allowed for protection of similar trademarks that were famous or well-known but have not obtained prior registration in Korea, the standard of evidence required in showing the fame or well-known status of a mark was extremely high. Thus, many marks that were identical and/or similar to another's unique mark can be registered if the prior user of the mark cannot sufficiently produce convincing evidence showing the fame or well-known status of its mark. In order to properly address these problem, the amended TMA lowered the standard of fame by deleting the word "easily" from Article 7(1)(12) of the previous TMA. The previous TMA Article was stipulated as "Trademarks that are identical or similar to a trademark easily recognized in Korea or outside Korea as a source identifier of another person, and which are used to obtain unjust profits or to inflict harm on the person shall not be registered."

The IPT and/or Court require a trademark owner to submit a substantial amount of fame evidence including sales volumes, advertising expenditures, market shares, brand rankings, worldwide trademark registration, promotional materials. Further, the Korean Supreme Court stated that the foreign court's decision which recognized the fame of mark in its own country should be respected (Case No. 2008Hu3131, rendered on November 27, 2008 by the Supreme Court).

## **OHIM**

The invalidity applicant needs 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.

## **USPTO**

The United States does not have legislation or practice that allow for protection of a mark that is only well-known or famous abroad.

- 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**

In cases when well-known/famous trademarks are likely to cause confusion as to the sources of goods and services (under Article 4, Paragraph (1), Item (xv)), or in cases when they are used for unfair purposes (under Article 4, Paragraph (1), Item (xix)), they shall be protected, even though they are under other classes or in areas of dissimilar goods and/or services.

The JPO has compiled the above mentioned “list of Japanese famous and well-known trademarks” found in the IPDL into its database for examinations, so as to conduct cross-classes searches and examinations.

Moreover, the JPO also makes effective use of examiners’ Internet researches and information provided by third parties (Please see III. Q1).

## **KIPO**

Yes.

## **OHIM**

As mentioned above, 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.

Depending on the individual case constellation, these factors might all be present and interact.

## **USPTO**

Trademarks that are well-known or famous in the United States may be protected

against trademarks for goods in other classes or for goods that are dissimilar, provided that there is a likelihood of confusion. The greater the fame of a mark, the less similarity of goods or services is needed to support a finding of likelihood of confusion. Examiners, when they conduct searches, will search across classes to determine any likelihood of confusion. Moreover, an examiner may give broader protection to a well-known or famous mark, since the more distinctive and famous a mark is, the more likely a consumer is likely to believe the goods come from the same source.

- 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?))

### **JPO**

In applying Article 4, Paragraph (1), Item (x) and (xv), bad faith will not be a requirement. In applying Article 4, Paragraph (1), Item (xix), the status of being well known and unfair purposes may be related to each other. However, even if trademarks are highly well known, it does not mean that there is no need to verify unfair purposes of applicants.

### **KIPO**

Please be advised that the degree of fame of the well-known/famous mark is one of factors in determining whether was a bad-faith in filing a trademark application.

### **OHIM**

The degree of recognition enjoyed by the invalidity applicant's sign is only one factor when assessing bad faith. Proving such recognition does not relieve the invalidity applicant of his burden of proof as regards bad faith in general.

### **USPTO**

In determining likelihood of confusion, the TTAB or court will weigh a number of factors, including the fame of a mark (how well-known it is), bad faith intent, and similarities of the marks and goods or services. It is not necessary to have bad faith or fame in order to determine likelihood of confusion. 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. Similarly, it is typically the case that the more evidence of fame, the less important a showing of bad faith.

- 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.)

**JPO**

It will be an element to be considered.

**KIPO**

Please be advised that the degree of creativity of the well-known mark is one of factors in determining whether was a bad-faith in filing a trademark application

**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.

**USPTO**

Yes, the distinctive character of a mark would be taken into account in determining a likelihood of confusion and may be taken as circumstantial evidence supporting a finding of bad faith.

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

**JPO**

It will be an element to be considered.

**KIPO**

Yes.

**OHIM**

Potentially, yes, if these house-marks of the invalidity applicant are considered to be similar to the CTM registered by the CTM owner.

**USPTO**

Yes, this may be taken into account, again as circumstantial evidence supporting a finding of bad faith.

- 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?

### **JPO**

There is no exclusion period to file claims for the above.

### **KIPO**

At the latest, an interested party may raise an invalidation proceeding with the IPT. Further, interested party can claim that a mark should be invalidated based on TMA Article 7.1.12 at the phase of the Patent Court. However, in the Supreme Court, interested party cannot add new invalidation action grounds which had not been raised in the IPT and/or Patent Court. And there is no statutory limitation for filing an invalidation action based on TMA Article 7.1.12.

### **OHIM**

No, bad faith can be claimed any time after registration of the CTM.

### **USPTO**

Generally, the fame of the mark does not limit the time in which a claim of likelihood of confusion or false association can be brought. A challenge to a registered mark may be brought on the basis of likelihood of confusion within five years of registration. However, if a party can establish fraud on the office, or can establish a false association with an institution, the party may challenge a registration at any point, even beyond five years of registration. Fraud in procuring a trademark registration or renewal occurs when an applicant knowingly makes false, material representations of fact in connection with his or her application with the intent to deceive the USPTO.

- 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?

### **JPO**

There is no exclusion period to request trials for invalidation against trademark registrations filed under bad faith. Also, the determination of whether applicants have filed under bad faith is decided both at the time of filing their applications and at the time of examiners' decision on their applications. Accordingly, even if trademark applications and registrations filed under bad faith were to become well known after a decision has been made to register them, this fact of being well known will have no

bearing on the decision of bad faith.

### **KIPO**

In this regard, we would like to introduce the below case (Case No. 2012Hu672, rendered on June 28, 2012 by the Supreme Court)

The registrant of the Subject Mark ("Appellant") filed an appeal of the decision to the Supreme Court. Referring to the below factors, the Supreme Court held that the Appellant did not file the application in bad faith in order to profit or to free ride on the fame of the prior used Cited Mark:

1. The Supreme Court had previously upheld another Patent Court decision rendering that the registrations for "WARAWARA" and "와라와라" (Korean transliteration of "WARAWARA") should not be invalidated based on the Cited Mark.
2. The Appellant had begun using a mark similar to the Subject Mark in Korea from the end of 2003 for a Japanese style bar franchise. As such, at the time the Subject Mark was applied for, it was already recognized in Korea as the mark for the Appellant's franchise.
3. The Cited Mark was hardly known in Korea at the date of the application of the Subject Mark, and the owner of the Cited Mark in Japan had no plans to use the Cited Mark in Korea. Further, the Appellant never approached the owner of the Cited Mark in Japan to propose a deal regarding purchasing the Subject Mark from the Appellant.

Therefore, the Supreme Court held that the Appellant had acquired its own independent business recognition in Korea and filed an application for the Subject Mark in order to expand and develop its business and that there was no evidence proving that the Appellant had filed the Subject Mark to block the owner of the Cited Mark in Japan from entering the Korean market or to compel the Japanese registrant to enter into a franchise agreement.

### **OHIM**

Yes, 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).

## **USPTO**

No, the fame or reputation of a trademark that is alleged to have been applied for in bad faith is not relevant to a likelihood of confusion analysis. The fame of the trademark alleged to have been infringed would only be relevant.

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

## **JPO**

Nothing in particular.

## **OHIM**

No further comments.

## **USPTO**

Marks that are famous or well known are afforded a greater scope of protection or exclusivity of use. Fame of the prior mark plays a dominant role in likelihood of confusion cases featuring a famous mark. *See, e.g., Bose Corp. v. QSC Audio Prods. Inc.*, 293 F.3d 1367, 1371 (Fed. Cir. 2002); *Recot Inc. v. M.C. Becton*, 214 F.3d 1322, 1327 (Fed. Cir. 2000); and *Kenner Parker Toys, Inc. v. Rose Art Indus., Inc.*, 963 F.2d 350, 352-53 (Fed. Cir. 1992). The Federal Circuit has stated repeatedly that there is no excuse for even approaching the well-known trademark of a competitor inasmuch as “[a] strong mark...casts a long shadow which competitors must avoid.” *Kenner Parker Toys*, 963 F.2d at 353.

The Federal Circuit’s language in *Specialty Brands, Inc. v. Coffee Bean Distributors, Inc.*, 748 F. 2d 669 (Fed. Cir. 1984), is instructive:

The law has clearly been well settled for a longer time than this court has been dealing with the problem to the effect that the field from which trademarks can be selected is unlimited, and there is therefore no excuse for even approaching the well-known trademark of a competitor, that to do so raises “but one inference – that of gaining advantage from the wide reputation established by appellant in the goods bearing its mark,” and that all doubt as to whether confusion, mistake, or deception is likely to be resolved against the newcomer, especially where the established mark is one which is famous and applied to an inexpensive product bought by all kinds of people without much care.



*Id.* at 676 (citation omitted).

- vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

## **JPO**

### **Court Case of Article 4, Paragraph (1), Item (x)**

Court decision of “COMPUTORWORLD” Case

Tokyo High Court (Gyo-ke) No. 29 1991, Date of Court Decision February 26, 1992.

<Summary of Court Decision>

The subject trademark in this case consists of horizontally written Japanese katakana characters “コンピューターワールド,” designating goods classified as Class 26 “Newspapers, magazines.”

The cited trademark in this case consists of the Roman alphabet word “COMPUTORWORLD” that is used as a title of “the newspaper.”

The court recognizes that “[a]nother person's trademark which is well known among consumers as that indicating goods in connection with the person's business” as stipulated in Article 4, Paragraph (1), Item (x) generally means: (1) a trademark that became “well known among consumers as a trademark indicating goods in connection with the [another] person's business,” as a result of its use mainly in foreign countries as a trademark as well as being reported and cited in the Japanese media as a trademark showing valuable and prestigious goods, and (2) a trademark that became “well known among consumers as a trademark indicating goods in connection with the [another] person's business” as a result of its use in Japan as a trademark. The reason for such recognition is that the legislative intent of Article 4, Paragraph (1), which stipulates the grounds for refusal and invalidation of trademark registration, clearly includes an intention to prevent confusion as to the sources of goods. From the perspective of this legislative intent, there is no reason to allow any confusion as to the sources of goods by approving registration of trademark (1) or trademarks that are similar to trademark (1) through distinguishing trademark (1) from trademark (2). Also, in the provision, there is no specific wording to refer only to trademark (2) as the factor for being “well known among consumers as a trademark indicating goods in connection with the [another] person's business.” Moreover, “[a trademark] which is well known among consumers as

a trademark indicating goods in connection with the [another] person's business" dose not need to be well known among all of the people in Japan. In case a trademark is required among limited consumers, namely, interested parties in certain areas, due to the nature of the goods, it may be sufficient to be well known among those consumers. (It should not cause any confusion among consumers as to the sources of the goods.)

Since 1967, the plaintiff has issued a weekly newspaper entitled "COMPUTERWORLD" in the U.S., but there is no evidence sufficient to verify that, at the time of filing the subject trademark in this case, this newspaper name became a trademark that is mentioned in the above stated (1) and (2). Nonetheless, the court recognizes the following as salient facts: computers have been developed and successfully commercialized in the U.S. and in the past, the computer related industries in Japan have focused significant attention on computer information in the U.S. Also, the court found the following facts: (1) during the years between around 1970 and 1980, the summaries and headlines of articles in the "COMPUTERWORLD" newspaper have been repeatedly used in magazines and printed publications issued in Japan, which would introduce computer news from outside Japan, (2) the newspaper name of "COMPUTERWORLD" was clearly specified in these articles as the news sources, and (3) in 1973, the defendant, which has been a major Japanese newspaper in the field, introduced "COMPUTORWORLD" on the front page news of "電波新聞 (electronic newspaper)" (which the defendant issues) as "the most prestigious newspaper in the field." Based on these facts, the court determines that, at the latest before the subject trademark in this case was filed, the name of the "COMPUTERWORLD" newspaper had been well known among interested parties in the Japanese computer related industries, and that the subject trademark in this case became a trademark as mentioned in the above stated (1).

Accordingly, the subject trademark in this case is determined to fall under Article 4, Paragraph (1), Item (x).

#### **Court Case of Article 4, Paragraph (1), Item (xv)**

Court decision of "L'air Du Temps" Case

Supreme Court (Gyo-hi) No. 85 1998, Date of Court Decision July 11, 2000.

**レールデュタン**

Claimed trademark

**L'AIR DU TEMPS**

Cited trademark (Plaintiff's trademark)

<Summary of Court Decision>

The claimed trademark in this case consists of horizontally written Japanese katakana characters “レールデュタン,” designating goods classified as Class 21 “Personal ornaments for wearing.” The appellant (the plaintiff) owns a registered trademark (the cited trademark in this case) consisting of horizontally written Roman alphabet words “L’AIR DU TEMPS,” designating goods classified as Class 4 (current Class 3) “Perfumes.” The appellant has been using the following trademarks for perfumes (the designated goods): a trademark “L’Air du Temps,” a trademark consisting of the Japanese katakana characters “レール・デュ・タン” (in sum, “the trademarks in use in this case”) and the cited trademark.

The court recognizes that “[a trademark that] is likely to cause confusion in connection with the goods or services pertaining to a business of another person” stipulated in Article 4, Paragraph (1), Item (xv) generally means a trademark that is likely to be mistaken for being related to another person’s goods or services (hereinafter referred to as “another person’s goods”) when this trademark is used in the designated goods or services (hereinafter referred to as “the designated goods”). In addition, the court recognizes that such trademark should also mean trademarks that are likely to be mistaken for being related to the business of a person who has a close business relationship with the above stated another person by being related to this another person’s subsidiary or affiliated companies, or belongs to a certain corporate group that manages product commercialization with a unified collective group mark (hereinafter referred to as “a likelihood of confusion in a broad sense (as to sponsorship or affiliation)”).

Generally, Article 4, Paragraph (1), Item (xv) functions as a provision to prevent a free-ride on well-known or famous indications of these trademarks and diluting such indications (so called “delusion”) as well as protect functions of trademarks indicating distinctiveness from others. Accordingly, the court recognizes that the Article aims to maintain business confidence of persons who use trademarks and protect the interests of consumers. From the perspective of this legislative intent, the court determines that trademarks that are likely to cause confusion in a broad sense (as to sponsorship or affiliation) should also not be registered, in order to protect the legitimate interests of persons who use the indications of well-known or famous trademarks, according to changes in company strategies and the markets such as diversification of business management, formation of a corporate group being united through product commercialization with the unified collective group mark, and building of famous brands.

And, any “likelihood of confusion” should be determined with full consideration given to all factors, based on degree of attention traders and consumers normally pay to the designated goods and services of claimed trademarks. More specifically, factors to be taken into consideration when determining “likelihood of confusion” include: (1) the level of similarity between a claimed trademark and another person’s indication, (2) the level of famous or well-known status of and originality of another person’s indication, (3) the nature of relationship between the designated goods of a claimed trademark and the goods related to another person’s business, (4) the extent of any relationship among intended purposes of use or intended goals, (5) any commonalities among traders and consumers of the goods and services, and (6) the actual state of business transactions.

The court recognizes that the claimed registered trademark “**レールデュタン**” is identical with the trademark “**レール・デュ・タン**” of the trademarks used by the plaintiff, at least in terms of pronunciation, and that they are similar also in terms of appearance. Moreover, from the perspective of the identification of the cited trademark “L’AIR DU TEMPS” and its designated goods, when pronounced in French, the cited trademark could generate the pronunciation of “**レールデュタン**” (the claimed registered trademark). Accordingly, the court determines that the registered trademark “**レールデュタン**” is identical with the cited trademark “L’AIR DU TEMPS” in terms of pronunciation.

Also, the trademarks in use and the cited trademark in this case have been well known among traders handling perfumes and consumers interested in luxury perfumes as an indication of perfumes of the appellant (the plaintiff), and are distinctively original trademarks.

In addition, the court recognizes that among the designated goods of the registered trademark “**レールデュタン**,” “cosmetic and toilet utensils, personal ornaments, hair ornaments, bags and the like, pouches and the like” and perfumes, which are related to the trial for invalidation, have a close relationship mainly with the intended purposes of use as ornaments for women, and that in most cases, these designated goods have common consumers.

Considering all of the above stated facts, the court judges that using the registered trademark “**レールデュタン**” for “cosmetic and toilet utensils, personal ornaments, hair ornaments, bags and the like, pouches and the like” is likely to cause a confusion in a broad sense (as to sponsorship or affiliation) among traders and consumers involving

such goods. In other words, such goods are likely to be mistaken for being related to those related to the business of the above stated another person who has a close relationship with the appellant (the plaintiff).

Also, the fact that the trademarks in use and the cited trademark in this case have been being used as so called “Pet Marks” may not affect the above stated judgment, based on the famous status of these trademarks in use and the close relationship among the goods related to both of these trademarks in use and the claimed registered trademark.

#### **Court Case of Article 4, Paragraph (1), Item (xix)**

“iOffice 2000” Case

(Tokyo High Court (Gyo-Ke) No. 205 2001, November 20, 2001)



<Summary of Court Decision>

The subject trademark in this case is “iOffice2000” that consists of letters and numbers, designating goods classified as Class 9 “Electronic circuits, magnetic disks, and magnetic tapes storing computer programs, and other electronic appliances.”

According to the certified facts and items of evidence, the words “Office95,” “Office97,” and “Office2000” are a combination of the word “Office” and the Western calendar year. Accordingly, these words by themselves may not be recognized to have sufficient inherent distinctiveness from other goods. Nonetheless, thanks to advertising, information provided by the media, and news articles in magazines, the court finds that these words have already become famous trademarks of the famous office software of Microsoft Corporation in both the U.S. and Japan, at least before the subject trademark was filed.

The letter “i” by itself is a Roman alphabet letter and seems to have no specific meaning, while the portion of “Office2000” is identical with Microsoft’s famous trademark. Based on these facts, the court finds it likely that the use of the subject trademark “iOffice2000” for the designated goods would cause misidentification, signifying that traders and consumers involving such goods, in some cases, might not notice the letter “i” at the beginning of the word, and may recognize and figure out only the portion of “Office2000” from the subject trademark.

Also, the pronunciation of the subject trademark is produced with a relatively long sound “アイオフィスニセン [AIOFFICENISEN].” Consequently, the court

recognizes that the latter portion of the subject trademark could also generate a pronunciation of “オフィスニセン [OFFICENISEN],” namely, the same pronunciation of Microsoft’s “Office 2000.”

Based on this, it could be determined that, after sufficiently recognizing the fact that “Office2000” had already become a famous trademark, the plaintiff filed a trademark application to register the subject trademark in this case, which is similar to “Office 2000,” and used it after it had been registered. Accordingly, the court has to admit that the plaintiff filed a trademark application to register the subject trademark with the intention of obtaining a free-ride on the fame of Microsoft’s trademark “Office2000,” and used the subject trademark for groupware, which is obviously closely related to office software. Also, use of the subject trademark by the plaintiff is also found, as a result, to be very likely to dilute the fame of Microsoft’s “Office2000.”

Therefore, the court concludes that the plaintiff used the subject trademark “iOffice2000” for its goods, groupware, for “unfair purposes,” as referred to in Article 4, Paragraph (1), Item (xix), and to the same effect, there is no mistake in the determination and judgment of the trial decision.

#### “S DESIGN” Case

(Intellectual Property High Court (Gyo-Ke) No. 10220 2009, Date of Court Decision March 30, 2010)



本願商標=原告

Claimed trademark (the plaintiff’s trademark in this case)



引用商標=被告

Cited trademark  
(the defendant’s trademark)

#### [Court's holding]

The trademark subject to this case is the claimed trademark shown above, designating goods classified as Class 12 “Automobiles and their components and accessories, machine elements for land vehicles, anti-theft alarms for vehicles, AC motors or DC motors for land vehicles [not including "their parts"] and two-wheeled motor vehicles.”

The cited trademark is the defendant’s trademark shown above, which is used for the defendant’s goods and services such as “parts for modifying automobiles and vehicle modifications by using these parts.”

Considering all the identified findings on the well-known status of the cited trademark, the cited trademark had been well known among consumers as an indication of the defendant's goods, namely, parts for modifying automobiles and vehicles with modified parts in European countries, mainly in Switzerland and Germany, both at the time of filing the subject trademark and at the time of the examiners' decision on it. Also in Japan, especially among foreign car buyers, the court finds that the cited trademark had been well known to a considerable extent.

Let's consider the details of similarity between the subject trademark and the cited trademark. The appearance of both trademarks, especially the S-shaped figure that forms a characteristic part that generates distinctiveness, has the following common points: the entire shape of a letter "S," the degree of inclination of the letter, and the use of a three-dimensional shape with gradations of colors. Accordingly, the appearance is considered to be similar.

Also, each S-shaped figure forms the main part of both trademarks and will generate a common pronunciation "エス[S]." However, the "S" is not considered to generate any specific concept. Based on this, the claimed trademark and the cited trademark can be judged to be similar in terms of appearance and pronunciation, without any emitting any specific concept, so both trademarks are judged to be similar.

Next, let's consider the background and details of the unfair purposes. The defendant (SPORTEC Europe, the owner of the cited trademark) claimed that: (1) at the Tokyo Motor Show held in the autumn of 2003, SPORTEC Japan, which was the defendant's de facto distributor in Japan and where the plaintiff served as head, adopted inappropriate display methods without SPORTEC Europe's consent, and that these methods were likely to cause misidentification, in that SPORTEC Japan sells the defendant's products also for Japanese cars. Consequently, the relationship between the defendant and SPORTEC Japan became worse. As a result, on December 9 in the same year, SPORTEC Japan sent a letter to the defendant to request dissolving the commercial relationship and their partnership was cancelled. (2) The plaintiff filed an application to register the claimed trademark on November 13, 2003, which was after the relationship between the plaintiff and the defendant became worse but before their partnership was cancelled. (3) In the autumn of 2004, the defendant sent letters to SPORTEC Japan dealers, demanding that they stop selling imitation SPORTIC wheels, leaving no possibility for the partnership between the defendant and SPORTEC Japan to continue. (4) In November 2006, the plaintiff put up the "SPORTEC" trademark on the wall of a shop "ティーエスエム[TSM]" managed by the plaintiff himself. Also, placed

around the shop were catalogues showing the cited trademark of the defendant's products. Considering all these facts, the plaintiff filed an application and obtained registration for the subject trademark under condition that he was inevitably to terminate the partnership with the defendant, with the intention to make profits for his own business by using the cited trademark and the defendant's goods, which would be attractive to consumers, even after the partnership had terminated. Accordingly, the filing and registration are determined to have been intended for unfair purposes.

“MARIE FRANCE” Case

(Trial Court No. 25958 1995, August 11, 1999)

**MARIEFRANCE**

**MARIE FRANCE**

Claimed trademark (of Japanese fashion maker)

Cited trademark

(the title of a French Magazine “MARIE FRANCE”)

<Summary of Trial Decision>

The claimed trademark consists of horizontally written Roman alphabet letters “MARIEFRANCE,” designating goods classified as Class 25 “Clothes made in France, and coats made in France.” The Roman alphabet letters “MARIE FRANCE” (with a space) have been considered to be well known and famous in France as the title of a French magazine at the time when the claimed trademark in this case was filed for registration.

Also, in terms of the order of the letters, the claimed trademark is completely identical with “MARIE FRANCE,” the title of the French magazine stated above, and thus regarded to be generally accepted as an identical trademark. Accordingly, it is very hard to believe that the applicant of the claimed trademark could file an application out of coincidence or without any cognizance of the fact that the magazine called “MARIE FRANCE” existed which is the same order of letters. Therefore, it was determined that the applicant almost directly applied the title of the “MARIE FRANCE” magazine to the claimed trademark.

Moreover, the designated goods of the claimed trademark were those including “non-Japanese style outerwear for women, namely, coats, sweaters and the like, nightwear, underwear, and swimwear.” In addition to the fact that the contents of the



“MARIE FRANCE” magazine consist of women’s fashion information, considering the fact that, also in Japan, significant attention has been paid to fashion trends in France, it is assumed that, in terms of consumers, the women’s fashion magazine and the goods designated by the claimed trademark may overlap to a certain degree.

Based on these, in case the legitimate trademark rights holder of the “MARIE FRANCE” magazine or persons related to the magazine wish to enter the Japanese market, it is likely that confusion will arise as to the sources with the claimed trademark, ultimately leading to the prevention of their entry into Japan.

Consequently, it should be noted that in the application for the claimed trademark, the cited trademark, which is well known and famous in foreign countries, was used almost “as is,” in order to be used for unfair purposes, working against the principle of fairness and equity.

Therefore, it was determined that the claimed trademark falls under Article 4, Paragraph (1), Item (xix) of the Trademark Act.

“M.A.C·MAKEUP ART COLLECTION” Case: Decision on Opposition  
(Opposition No. 92239 1998, March 28, 2000)

M·A·C  
MAKEUP ART COLLECTION

Claimed trademark

M·A·C

Cited trademark

<Summary of Decision on Opposition (Decision Upholding Opposition)>

The trademark in this case is the claimed trademark shown above, consisting of stylized letters “M.A.C.” and Roman alphabet letters “MAKEUP ART COLLECTION,” which are written horizontally in double column format. It designates goods classified as Class 18 “Bags and the like, pouches and the like, vanity cases, handbag frames, purse frames, saddlery, etc.” On the other hand, the cited trademark, which is the opponent’s trademark shown above, consists of horizontally written Roman alphabet letters “M.A.C.” It represents goods classified as Class 3 “Perfume and flavor materials, cosmetics and toiletries, and dentifrices.”

The trial found that the cited trademark used by the opponent has been used as a trademark for “makeup cosmetics and toiletries,” and these goods have been very popular products widely sold in the world, including Canada and the United States.

And, it was also found that the ornamental features of the Roman alphabet letters “MAC” constituting the claimed trademark is completely identical with the inherently distinctive design of the cited trademark, even in its smallest details.

Moreover, the letters “MAKEUP ART COLLECTION” written in the lower part of the claimed trademark seem to be related to makeup cosmetics traded by the opponent. And, its designated goods include vanity cases that the opponent is currently selling as products.

Based on these, it is difficult to believe that the claimed trademark happened to be identical with the cited trademark by coincidence. Accordingly, it could be inferred that, after sufficiently recognizing the fact that the claimed trademark is identical with or similar to the cited trademark that has been well known among consumers in Japan and abroad as a trademark indicating goods related to the other person’s (opponent’s) business, the trademark right holder filed a trademark application to register the claimed trademark and obtained trademark rights for this trademark, by taking advantage of the unregistered condition of the cited trademark, for either of the following purposes: (1) to prevent the cited trademark’s foreign rights holder, the opponent, from entering into the Japanese market, (2) to force the opponent into an agency agreement in Japan, (3) to dilute the cited trademark’s capacity to attract consumers, and (4) to obtain a free-ride on the commercial appeal of the cited trademark, intending to make unfair profits. Consequently, it was determined that the claimed trademark in this case falls under the category of a trademark that is filed for unfair purposes.

Therefore, the claimed trademark in this case falls under Article 4, Paragraph (1), Item (xix) of the Trademark Act.

### **KIPO**

Case No. 2007Heo2626 rendered on June 25, 2008 by the Patent Court (this case was supported by the Supreme Court)

On appeal, the Plaintiff submitted various merchandising evidence in the U.S., Japan, and Korea to substantiate the fame of the TOM & JERRY character. The registrant ("Defendant") rebutted that (i) the Plaintiff's various versions of the character cannot be recognized as a single source; (ii) the character was used merely as a design, not a source-indicating trademark, and (iii) sales of goods were not substantial (moreover, due to the diverse range of used goods, sales by each product item were very low).

After considering the above, the Patent Court held that the Plaintiff's Character was a famous trademark in the U.S. and Japan, in view of the degree of well-known status, duration, method and mode of use, types of products, and extent of sales. It dismissed the Defendant's arguments as follows:

- (i) The various versions used by the Plaintiff's licensees clearly shared the same basic characteristic shape and appearance and is a basis for judging the well-known status of the Plaintiff's Character.
- (ii) The method and degree of expression among the character versions showed that they function both as a design and source indicator.
- (iii) Further, the extent of sales was not an adequate basis for dismissing the character's fame. Despite the fact that well-known characters - such as the Plaintiff's character - can attract or be easily recognized by consumers, the sales in total or by product item may still be comparatively low. Thus, the sales-based argument was considered insufficient.

#### **OHIM**

CJ judgment of 11/06/2009, C-529/07, 'LindtGoldhase'(cited under Q1 above)

#### **SAIC**

(1) No. 4481864 "金灶" (金竈) trademark opposition issue:

Canton 海利集团 Inc. (hereinafter referred to as opponent) submitted opposition to 葉川 (hereinafter referred to as respondent) employing Beijing Trademark Office Inc. as an agent against Trademark No. 4481864 "金灶" (金竈) which passed the early examination of our Office and appeared in the "trademark bulletin" No.1073, and our Office accepted the opposition based on Section 30 of the "Chinese Trademark Law." The respondent has not answered to it within a predetermined time limit.

The view of our Office based on statements of facts and reasons by the party concerned is as follows: In this issue, the opponent claimed that the trademark registered by the opponent for goods in 11<sup>th</sup> class fell under a famous trademark, and provided relevant evidences.

The evidences provided by the opponent can be proved, and the said trademark has become known widely to the Chinese public through advertisement and use.

Our Office, based on the provisions in Section 14 of the "Trademark Law," recognized Trademark "金灶" (金竈) registered and used for goods "Electric Pot" by the opponent

as a famous trademark.

The designate goods "金灶" (金竈) under opposition is "Salami (smoke-dried meat)" in 29<sup>th</sup> class, and the trademark under opposition since being similar to the opponent's trademark ("金灶"). Our Office judged that the trademark under opposition an imitation of the famous trademark, and if being used for the designated goods, the registered trademark under opposition would mislead and damage the interest of the holder of the right of the said famous trademark.

On the basis of Sections 13(2) and 33 of the "China Trademark Law," our Office decided as follows: the reason of opposition of the opponent establishes, thereby, registration of Trademark No. 4481864 "金灶" shall not be permitted.

According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a new trial to Trademark Appeal Board within fifteen days from the date of this decision.

(2) Trademark No. 1649903 "雅虎 YAHOO" opposition and retrial (trial against the examiner's decision) issue:

The respondent (義烏市 利邦剃須刀 Inc.) of the trademark "雅虎 YAHOO" under opposition filed the application on September 4, 2000, and designated goods, such as a razor, and a razor box of 8<sup>th</sup> class. The opposition did not establish at the decision of the Trademark Office.

The opponent (YAHOO), against the decision of our Board, claimed that since having sufficient obviousness and an extremely high name recognition in the Internet field (communication services, such as E-mail in 38<sup>th</sup> class, and computer website search service in 42<sup>th</sup> class) and the Internet related field (computer software in 9<sup>th</sup> class and computer software service in 42<sup>th</sup> class).

Since the respondent must naturally have known the trademarks of the opponent, the said disputed trademark are imitations and translations of the trademarks already registered by the opponent.

Based on the provisions in Sections 13 and 14 of the "Trademark Law," Section 5 of the "Enforcement Regulations of the Trademark Law" and Section 3 of the "Provisions

related to recognition and protection of Famous Trademark," the trademarks under opposition shall not be registered, and the use of them shall be prohibited.

According to our Board's opinion, based on the verification of the sources of evidence submitted of the opponent, Trademark No. 1327419 "雅虎" and Trademark No. 1109289 "YAHOO!," which are registered and used by the opponent for "survey and search of information on network" services in 42<sup>th</sup> class, have become known widely in China before the filing date of the disputed trademark, thereby, they are famous trademarks that provided by Section 15 of the "Trademark Law."

Thus, the disputed trademark "雅虎 YAHOO" is the reproduction and imitation of other party's famous trademark. To determine whether the registration of the disputed trademark misleads the public or not, factors, such as, the name recognition, originality, degree of similarity, and association to goods of the said trademark should be totally considered.

Considering that "YAHOO!" is seen comparatively rarely in English, and "雅虎" is not a peculiar word in Chinese, it can be said for the above two trademarks to be comparatively original.

Since the part of Chinese character of the disputed trademark is perfectly the same as Trademark "雅虎" of the opponent, and the part of English is substantially the same as Trademark "YAHOO!" of the opponent, act that the respondent has registered the disputed trademark cannot be said to be fair.

As mentioned above, since the fact that Trademark "雅虎" and Trademark "YAHOO!" of the opponent are registered and used for Internet search service, is widely recognized by the public, to use the said disputed trademark for goods, such as a razor and a razor box, would mislead the public, cause confusion of the source, and damage the interest of the opponent.

The act that the respondent has filed the application of the disputed trademark afterward, falls under the acts to reproduce, imitate and translate other party's famous trademark for non-similar goods, which are clearly stipulated in Section 13(2) of the "Trademark Law." Thereby, the said act may mislead the public and damage the interest of the holder of the right of the famous trademarks. Therefore, the registration of the disputed trademark shall not be permitted.

According to the provisions in Sections 13(2), 33, and 34 of the "Trademark Law," our Board decided as follow: the registration of the disputed trademark shall not be permitted.

(3) Trademark No. 3217926 "神州三号" opposition issue:

Claim of the opponent (China Academy of Space Technology):

The opponent is the developer of the spaceship "神舟 (Shenzhou)" series, and the legal right holder of Trademark No. 1661968 "神舟 (Shenzhou)" and "神舟" series. Since, the Central Government allowed the use of "神舟" as a trademark of the spaceships, and the national leader personally named it, Trademark "神舟" has specialty, obviousness and uniqueness.

The spaceships of the "神舟" series have been launched wonderfully and collected successfully every time, which are surprised globally and advertized and reported through domestic and foreign major media, televisions, radios, newspapers and magazines, Internets, etc. It can be said that Trademark "神舟" is globally famous, and has extremely high name recognition in China and all over the world, thereby, Trademark "神舟" can already be called as a famous trademark.

The disputed trademark "神州三号" is the reproduction or imitation of the opponent's famous trademark "神舟." Filing and registering the disputed trademark not only mislead a consumer the source of a product but also make it difficult for the opponent (the right holder of Trademark "神舟") to develop the field of aerospace medicine using the "神舟" brand, and damage the legal interests of the opponent. Therefore, the registration of the disputed trademark goes against the provisions in Section 13(2) of the Trademark Law, thereby, based on this, the said trademark must be erased.

The respondent (Xi'an 亨通光華 Pharmaceutical Inc.) did not answer within the time limit set by our Board. The trial and investigation results of the Trademark Examination Board are as follows:

1. The disputed trademark was one filed to the Trademark Office on June 21, 2002 by the respondent, and registered on September 14, 2003. Designated goods are oral liquid medicine in 5<sup>th</sup> class, etc.

2. As of 1999, the opponent had registered nearly 70 trademarks, such as "神舟" and "神舟五号," for many classes, goods and services.

3. Trademark "神舟" of the opponent has been used continuously from 1998 up to today.

Before the filing date of the disputed trademark, the opponent have engaged in the research and development and the launching of the spaceship "神舟" three times. Trademark "神舟" is not only painted on spaceships but also widely used in the office building of the opponent. It is also used in places of, such as various space flight exhibitions and international industry fairs.

The returns of Shenzhous 1 to 6 are a symbol of the development of the manned space flight of our country. The bodies of those spaceships are stored in places, such as, China Science and Technology Museum, the Spaceflight Museum of China, the National Museum of China, and are exhibited to the public. Every time when Spaceship "神舟" was launched, Spaceship "神舟" and the opponent were repeatedly reported through Chinese major media including televisions, radios, newspapers, Internets, etc. as well as foreign major media, newspapers and magazines and radios.

Spaceship "神舟" of the opponent obtained the second prizes and the third prizes in more than 70 outcomes of National Defense Science and Technology, before the filing date of the dispute trademark. In addition, the opponent submitted the documents which proved that Trademark "神舟" deserved protection and the documents which could prove the usage conditions and honors etc. of Trademark "神舟."

The result of deliberations of the Trademark Examination Board is as follows: The opponent was engaged in the research and development of three spaceships of "Shenzhou." Together with much interests from inside and outside of the country at the launch of every time of the spaceship "Shenzhou," it has been reported again and again as top news by each major medium including a television, a radio, a newspaper, a Internet, etc.

The fact that the spaceship "神舟" was launched magnificently is a milestone of the manned space flight history of our country. Trademark "神舟" already has a comparatively high awareness and influence, thereby, Trademark No.1661968 "神舟 shenzhou" of the opponent can be recognized as a famous trademark used for an air transportation tool and a spaceship.

Trademark "神舟" of the opponent has a comparatively high name recognition, thereby, the registration and use of the disputed trademark may cause the public to confuse the source of the trademark with the source of Trademark "神舟" of the opponent, and may mislead the public that there is any relationship between the respondent and the opponent.

Therefore, there is a possibility of confusion or misconception of the source of goods, which may damage the legal use and the interests of the opponent. Therefore, because the registration of the disputed trademark goes against the provision of Section 13(2), the registration shall be erased.

#### **USPTO**

*L'Oreal S.A. v. Marcon*, 102 USPQ2d 1434 (TTAB 2012). The fame of the marks L'OREAL and L'OREAL PARIS for cosmetics and personal care products was a major factor in the Board's sustaining opposer's Section 2(d) claim in this opposition to L'OREAL PARIS for "aloe vera drinks." As to the claim that applicant lacked a *bona fide* intent to use the mark, applicant's pattern of filing ITU applications for disparate goods under the well-known or famous marks of others was a basis for sustaining that claim. The Board found opposer's marks to be famous based on billions of dollars in sales, significant market share, huge advertising expenditures, extensive media exposure, impressive brand awareness, and consistent high ranking by *Business Week*. The marks were considered identical and, while at first glance cosmetics and beverages "might not appear to be inherently related," opposer submitted "substantial evidence to show several reasons for finding such goods to be related;" for example, companies have marketed cosmetics and beverages under the same mark. Marcon's history of filing applications for products for which he had no relevant experience convinced the TTAB that adoption of this mark was in bad faith, although the Board observed that even without bad faith it would still find confusion likely.

#### **Q4. Unfair Application filed by an Attorney**

Is there any legislation for refusing an unfair application (or invalidating the registration) filed by an attorney? (Yes/No)

#### **JPO**

Yes.

#### **KIPO**



No.

### **OHIM**

We understand the reference to an attorney to mean a reference to a representative or agent of the owner of the earlier right. If there is no relationship between the attorney and the owner of the earlier right, the attorney is treated as any other third party that registers a CTM potentially in bad faith (see, for example, answer to Question 1 vi second bullet point). However, in case the attorney is the agent or representative of the owner of the earlier right, who tries to register the CTM without the owner's consent, the CTM system gives the owner of the earlier right the possibility to oppose against the registration of the CTM application (Article 8(3) CTMR) or, if the CTM is already registered, to introduce an action of invalidity/cancellation (Article 53(1)(b) CTMR in connection with Article 8(3) CTMR). It is immaterial whether the earlier trade mark rights reside in the European Union or not.

### **SAIC**

Yes.

### **USPTO**

An application to register a mark must be filed in the name of the owner of the mark or, in the case of an intent-to-use application under 15 U.S.C. § 1051(b), by the person who is entitled to use the mark in commerce. Normally the owner of a mark is the person who applies the mark to goods that he or she produces, or uses the mark in the sale or advertising of services that he or she performs. An attorney cannot file an application in his or her own name on behalf of the owner, or the application would be void *ab initio* (from the beginning).

In addition, there is a duty of candor and disclosure in practice before the Trademark Office and TTAB. Before signing, filing, submitting, or later advocating any paper to the Office, attorneys have a duty of candor and a reasonable inquiry to confirm: (1) allegations and other factual contentions have evidentiary support and (2) legal contentions are warranted by existing law. 37 C.F.R. § 11.18. An attorney or authorized representative who makes false statements, withholds material information from the Trademark Office, or fails to correct a misrepresentation once known may be subject to disciplinary action under USPTO regulations.

A practitioner may be subject to concurrent disciplinary action before both the USPTO and State authorities. In the USPTO, the Office of Enrollment and Discipline ("OED")

is responsible for investigating grievances and allegations of misconduct. Penalties for violating this duty could be a private or public reprimand, suspension (from 1 day up to 5 years), and/or disbarment (for a minimum of 5 years).

IF YES:

- i) Please provide provision(s) of the relevant law or regulation.

### **JPO**

Trademark Act

Article 53-2 Where a registered trademark is a trademark pertaining to a right to a trademark (limited to a right equivalent to a trademark right) held by a person in a country of the Union to the Paris Convention, a member of the World Trade Organization or a Contracting Party to the Trademark Law Treaty or a trademark similar thereto, and the designated goods or designated services thereof are goods or services pertaining to the said right or goods or services similar thereto, and further, the application for trademark registration was filed without the approval of the person who has the right pertaining to the trademark, without a just cause, by his/her agent or representative or by his/her former agent or representative within one year prior to the filing date of the trademark registration, the person who has the right pertaining to the trademark may file a request for a trial for rescission of the trademark registration.

### **OHIM**

According to Article 8(3) CTMR, upon opposition by the proprietor of an earlier trade mark, a trade mark shall not be registered where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor's consent, unless the agent or representative justifies his action.

Under Article 53(1)(b) CTMR, a CTM 'shall be declared invalid upon application to the Office or on the basis of a counterclaim in infringement proceedings, where there is a trade mark as referred to in Article 8(3) and the conditions set out in that paragraph are fulfilled'.

### **SAIC**

Section 15 of the "Trademark Law" provides that that where an agent or representative, without the authorization of the client (of the agent or the representative), seeks to register in the agent's name the client's trademark and where the client opposes, registration shall not be granted and the use of the mark shall be prohibited.

**USPTO**

Under Section 1(a)(1) of the Trademark Act, 15 U.S.C. § 1051(a)(1), an application based on use in commerce must be filed by the owner of the mark. A Section 1(a) application must include a verified statement that the applicant believes it is the owner of the mark sought to be registered. 15 U.S.C. § 1051(a)(3)(A); 37 C.F.R. § 2.33(b)(1). An application that is not filed by the owner is void. *See* TMEP § 1201.02(b).

An application under Sections 1(b) or 44 of the Act, 15 U.S.C. § 1051(b) or § 1126, must be filed by a party who is entitled to use the mark in commerce, and must include a verified statement that the applicant is entitled to use the mark in commerce and that the applicant has a bona fide intention to use the mark in commerce as of the application filing date. 15 U.S.C. §§ 1051(b)(3), 1126(d)(2), and 1126(e); 37 C.F.R. § 2.33(b)(2). When the person designated as the applicant is not the person with a bona fide intention to use the mark in commerce, the application is void. *See* TMEP § 1201.02(b).

- ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.)..

**JPO**

At the time of filing their applications and at the time of examiners' decision on them.

**OHIM**

The time of filing of the application for registration.

**SAIC**

The above provisions apply during the proceedings of opposition and trial against the examiner's decision of a trademark, after the final decision by the examiners.

**USPTO**

These provisions apply at the filing date.

- iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

**JPO**

It can be determined in trials for cancellation.

**OHIM**

It is left to opposition or invalidity/cancellation actions.

## **SAIC**

They apply during the subsequent proceedings of opposition and trial against the examiner's decision.

## **USPTO**

The examining attorney will accept the applicant's statement regarding ownership of the mark unless it is clearly contradicted by information in the record. *In re L. A. Police Revolver and Athletic Club, Inc.*, 69 USPQ2d 1630 (TTAB 2003). If it is contradicted by the record, registration will be refused under §1 of the Trademark Act, on the ground that the applicant is not the owner of the mark. Similarly, when the record indicates that the applicant is a United States distributor, importer, or other distributing agent for a foreign manufacturer, the examining attorney should require the applicant to establish its ownership rights in the United States in accordance with TMEP §1201.06(a). It may also be determined during an opposition or cancellation.

iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

## **JPO**

As a basic principle, the burden of proof in unfair applications filed by attorneys rests on the parties who demand trials.

## **OHIM**

In principle, the opponent or invalidity applicant bears the burden of proof. However, as regards 'negative facts', the burden of proof is reversed. Therefore, the agent or representative bears the burden of proof to show that he had the proprietor's consent for the filing and that his actions were justified.

The opposition and invalidity/cancellation ground of an unauthorized filing by agents of the trademark proprietor is a separate ground from that of bad faith.

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 this principle. However, the protection granted by Article 8(3) CTMR is narrower than the one afforded by Article 52(1)(b) CTMR, because the applicability of Article 8(3) CTMR is subject to the fulfilment of a number of additional conditions laid down in this provision.

**SAIC**

There are rules of burden of proof, and the holder of a trademark bears it.

**USPTO**

If a third party brings an opposition or cancellation alleging that the trademark was filed in the wrong name, i.e., the attorney's name, the third party has the burden of proof to establish its claim.

v) Please provide examination guidelines.

**JPO**

None.

**OHIM**

A copy of OHIM's guidelines on Article 8(3) CTMR is attached.

**SAIC**

The below conditions must be satisfied for an act to fall under the act where an agent or representative, without the authorization of the client (of the agent or the representative), seeks to register.

(1) An applicant of a disputed trademark registration is an agent or a representative of the holder of a trademark, and the applicant is in a situation provided by 5(2) of this guideline, and acts according to this.

(2) The disputed trademark is used for goods/services or the disputed trademark is used for similar goods/services designated for a trademark of a client of the agent (a party employing the agent) or a client of the representative (a party that is not the representative).

(3) The disputed trademark is the same as or similar to the trademark of the client of the agent (the party employing the agent) or the client of the representative (the party that is not the representative).

(4) The agent or the representative cannot prove that the act of filing and registration is authorized by the client of the agent (the party employing the agent) or the client of the representative (the party that is not the representative).

In the dispute issue of a trademark, the client of the agent (the party employing the agent), the client of the representative (the party that is not the representative) or the party concerned can apply for erasing the registration (of the said trademark) within five years from the registration date of the disputed trademark.

### **USPTO**

Please see answer above.

vi) Please provide examination practices.

### **JPO**

Please see vii)

### **OHIM**

See OHIM guidelines (attached) for examples.

### **SAIC**

Please see v).

### **USPTO**

Please see answer above.

vii) Please provide relevant examples of examinations, trial decisions, or court decisions.

### **JPO**

Intellectual Property High Court (Gyo-Ke) No. 10194 2011

Date of Court Decision January 19, 2012. Litigation requesting rescission of a trial decision.



The defendant (the demandant for the trial to cancel the trademark in this case) owns a trademark consisting of the letters "Chromax" in Taiwan that is a member of the World Trade Organization (WTO). (The trademark represents goods classified as Class 28 "Golf balls, golf implements," etc.)

The designated goods of the trademark consisting of standard letters "Chromax" (the

trademark in this case [registered in Japan and owned by the plaintiff requesting the court's decision in this case]) are included in those of the defendant's trademark. Accordingly, they are considered to be identical with or similar to the designated goods of the defendant's trademark. Moreover, the subject trademark and the defendant's trademark are likely to cause confusion as to the sources of the goods between the products with the subject trademark and those with the defendant's trademark, and both trademarks are found to be similar.

The plaintiff or his representative has not been given exclusive distribution rights in Japan from the defendant or a person/entity who had an import agency in Japan with the defendant within one year before the date when the subject trademark in this case was filed. Nonetheless, thanks to the continuous trades between the plaintiff or his representative and the defendant, certain business practices had been established among them. Accordingly, it can be said that the plaintiff or his representative has been incorporated in some sales system of the defendant's products in Japan, and that he or she may fall under "his agent or representative within one year prior to the date on which the trademark registration was filed" stipulated in Article 53-2 of the Trademark Act.

Also, it is found that the application for the subject trademark in this case has been filed without the defendant's consent, within one year before the filing date of the subject trademark, by the trademark rights holder who had equal status to his agent or representative.

Based on the facts stated above, the court made a decision as to whether or not the application for the subject trademark registration was "without a just cause" stipulated in Article 53-2, as follows:

(1) As the background circumstances related to "a just cause" for the trademark application subject to this case, the plaintiff only claimed that, "in order to increase the value of the subject trademark, an advertising and promotion campaign was conducted at great expense, and that, thanks to the advertising and promotion, the value of the subject trademark has been increased in Japan."

(2) According to the evidence and the entire gist of the argument, the court finds that the plaintiff conducted advertising and promotions such as advertisement inserted in magazines in order to promote sales of golf balls ("Chromax balls") in Japan, which the defendant manufactures. However, the court cannot admit that, due to the expenditure

and activities conducted by the plaintiff and the advertizing promotion campaign stated above, the value of the trademark subject to this case has been increased as an indication of the golf balls stated above.

(3) Based on these, the court recognizes that the plaintiff has not been given the exclusive distributing rights from a person/entity who had an import agency agreement in Japan. And, considering all these facts, including the circumstances that there was only the fact that the plaintiff and his representative continuously conducted business transactions with the defendant, the court determines that the application for the trademark subject to the case was filed "without the approval of the person who has the right pertaining to the trademark, without a just cause."

### **OHIM**

See OHIM guidelines (attached) for examples.

### **SAIC**

(1) Trademark No. 3083605 "BRUNO MANETTI" opposition issue:

魯安納輸出 Company employing the China Council for the Promotion of International Trade's Patent & Trademark Office as an agent (hereinafter referred to as opponent) opposed to 艾斯快樂 Co. Ltd. employing 永新 Patent & Trademark Inc. as an agent (hereinafter referred to as respondent), against Trademark No. 3083605 "BRUNO MANETTI" which passed the initial examination of our Office and appeared in "trademark bulletin" No.870. Our Office accepted the opposition according to Section 30 of the "China Trademark Law."

The respondent has answered within a set time limit.

The claim of the opponent:

"BRUNO MANETTI" is the full name of Mr. BRUNO MANETTI who is the founder of the company of the opponent. This trademark has been already registered and used in some countries and communities, and is known to the relevant public. The disputed trademark is a plagiarism of the trademark of the opponent and infringes the name right of Mr. BRUNO MANETTI. The act of the respondent goes against the principle of faith and trust. The registration and use of the disputed trademark leads to unfair competition.

The claim of the respondent:



The name right of BRUNO MANETTI who is the president of the opponent company cannot be an obstacle to register the disputed trademark in China.

In addition, the time when the respondent began to use the trademark "BRUNO MANETTI" is earlier than the time when the opponent began to use the said trademark. The respondent has no intention of plagiarism and filing a misappropriated application.

Our Office's opinion based on the facts and reasons stated by the parties concerned is as follows:

Trademark "BRUNO MANETTI" under opposition is designated for goods such as "suits, leather shoes and ties" in 25<sup>th</sup> class. "BRUNO MANETTI" is not a combination of existing letters but has more significant originality.

It is proved that, as an agent of the opponent in the authentication proof and the licensing agreement of Trademark "BRUNO MANETTI," the respondent recognized that Trademark "BRUNO MANETTI" is a trademark possessed by the opponent, and the opponent is not given the right to register and use Trademark "BRUNO MANETTI" in China. Therefore, the act of the respondent to file and register a trademark of the opponent, in the name of the respondent's own name goes against Section 15 the "Trademark Law" of our country.

The decision of our Office according to Sections 15 and 33 of the "China Trademark Law" is as follows:

The reason for opposition raised by the opponent is established, thereby, the trademark No. 3083605 "BRUNO MANETTI" shall be deregistered. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial to the Trademark Appeal Board within 15 days of this decision.

(2) Trademark No.3304260 "头包西灵 (Toubaoxilin)" opposition issue:

On September 12, 2002, the respondent (Sichuan 隆昌華蜀動物藥業 Inc.) filed an application of the disputed trademark to Trademark Office, and the trademark was registered on February 7, 2004 for goods, such as drugs for veterinaries and goods for animal drugs in 5<sup>th</sup> class. The opponent (Chongqing 正通動物藥業 Inc.) applied for withdrawal of the registration on April 1, 2004.

The opponent began to use "头孢西林" for products for animal drugs in 2002, and the four characters of "头孢西林" are represented by a specific font and a font size, and displayed at the foreground on the label. Because the sales condition of the above goods in the market was very good, the respondent applied for agency sale to the opponent.

The both sides concluded a sole agency sale protocol in the end of July, 2002, and 華蜀動物藥業 Inc. is given authority and has been selling "头孢西林" products in areas of the whole country.

Based on the above facts, "头孢西林" is the special name of goods, which was made up by the opponent for its products and obtained examination permission of the Correlation Management Section. The opponent had already owned the right of the name of the specific products before the both sides concluded a sole agency sale contract. In actual use, "头孢西林" is situated in the foreground of the label of goods, and it is a main mark for consumers to identify the source of goods.

Therefore, "头孢西林" is a specific name recognized by the opponent, and it is objectively effective in displaying the source of the goods, thereby, the mark should be regarded as a non-registered trademark of the opponent.

The contractual connection provision of the opponent and the respondent in "contract related to Goods '头孢西林'" is already well-defined, and the respondent is a distributor of Products "头孢西林" of the opponent. The opponent has given authority to sell the products in areas of the whole country.

Furthermore, in the contract, it is defined the opponent shall continuously produce and sell the said products even after the contract has finished, and the selling right of the respondent shall be abolished.

In this issue, because it leads confusion to consumers for the respondent to register a trademark where features of the array and combination of characters generally resemble to those of the trademark of the opponent, this act should be prohibited based on Law.

Therefore, the act that the respondent as a product distributor of the opponent registered the disputed trademark extremely resembling to the trademark of the opponent in a name of its own without the permission of the opponent, falls under the act that an agent registers the trademark of a client employing the agent without permission of the client,

provided in Section 15 of the "Trademark Law."

The decision of our Board according to the provisions of Sections 15, 41(2) and 43 of the "Trademark Law" are as follows: Registration of registered Trademark No. 3304260 shall be erased.

Court of First Instance:

The Court decided that "the registration of the disputed trademark falls under the misappropriated application of an agent, provided in Section 15 of the 'Trademark Law,' thereby, it should be erased," and supported the decision of our Board.

Court of Second Instance:

The Court decided that "an agent or a representative just indicates a trademark agent or a trademark representative only," and, this court decision means to cancel the decision of the Trademark Examination Board.

Supreme People's Court:

The Court decided that "'an agent or a representative' includes an agent or a representative based on the meaning of specific sales agency relationship, such as, sole agency sale (exclusive sale) and sole agency (exclusive agency)."

(3) Trademark No.3514462 "安盟 SecurID" opposition and retrial issue:

On July 4, 2003, the respondent (Sichuan 安盟電子信息安全 Inc.) filed application of Trademark No.3514462 "安盟 SecurID" under opposition to the Trademark Office and designated goods, such as, computer memories in 9<sup>th</sup> class. After being examined initially and opened to the public by the Trademark Office, the trademark issue is opposed by the opponent.

The Trademark Office decided that the opposition was not established, and the opponent (USA RSA 信息安全 Co. Ltd.) applied for trial against examiner's decision of refusal to our Board, on December 11, 2008.

According to the recorded evidences, before April 7, 2003 of the filing date of the trademark under opposition, Beijing 達宇 Company had already been the agent of the software products of Trademark "RSA SecurID" for which the opponent used. 蔣萍,

孟憲 et al. are directors of both of Beijing 達宇 Company and the respondent, and Beijing 達宇 Company is the parent company of the respondent.

The designated goods for the trademark under opposition are goods, such as goods for recording the computer programs, and resembles to the software products of the opponent which were sold by Beijing 達宇 Company as an agent.

The trademark under opposition consists of Chinese "安盟" and "SecurID" of a foreign language. Consumers can identify two parts of "安盟" and "SecurID." One part "SecurID," which can be identified clearly in the trademark under opposition, is completely the same as "SecurID" of the trademark "RSA SecurID" of the software products of the opponent which was sold by Beijing 達宇 Company as an agent. Therefore, they shall be the similar trademarks.

Registration of the trademark under opposition was the act that the respondent, in conspiracy with the parent company, planned to register the other party's trademark, for which the parent company was selling as an agent, while designating similar goods. Furthermore, this act was not permitted by the agent of the parent company of the respondent and the opponent of this issue.

Therefore, it is decided that filing application of the trademark under opposition falls under the provision of Section 15 of the "Trademark Law."

Thus, the reason of the application for trial against examiner's decision of the opponent is established, and the decision of our Board according to the provisions in Sections 15, 33 and 34 of the "China Trademark Law" is as follows: The registration of the trademark under opposition shall not be permitted.

## **USPTO**

*Lipman v. Dickinson*, 174 F.3d 1363, 1372 (Fed. Cir. 1999). The court found that a practitioner's participation in a material way in preparing and filing a petition with the Director that relied on affidavits that he knew could not be used for any purpose was a violation of USPTO Disciplinary Rules.

*Lipman v. Dickinson*, 174 F.3d 1363, 1372 (Fed. Cir. 1999)。

## **Q5. From The View of The Relationship with Other Rights**

Is there any legislation for refusing an application (or invalidating 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.? (Yes/No)

**JPO**

In cases when applications are filed under bad faith for trademarks consisting of or containing other persons' names and titles, they are likely to fall under Article 4, Paragraph (1), Item (viii) of the Trademark Act.

Nonetheless, please note that when the principal provision of Article 4, Paragraph (1), Item (viii) was adapted, the original intent was not to prevent "bad faith trademark applications" per se. In other words, even in cases when applicants file trademark applications without any bad faith intended, the filed trademarks can be refused (or invalidated) if they meet the requirements of Article 4, Paragraph (1), Item (viii).

Also, Article 29 of the Trademark Act may serve as adjustment provisions for trademarks and copyrights. However, this Article is a provision that, in case trademark rights and prior copyrights of others are conflicting, trademarks cannot be used for the conflicting parts, and is not a reason to cancel or invalidate trademarks.

**KIPO**

No.

**OHIM**

In the CTM system, this is not a ground for refusing a CTM application, but a ground for invalidity/cancellation under Article 53(2) CTMR. It is a different ground for invalidity/cancellation than that of bad faith under Article 52(1)(b) CTMR.

**SAIC**

Yes.

**USPTO**

In the United States, 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 grounds 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 cease of 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 officio* 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. Please refer to discussion above on 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. Courts have held that Section 2(a) embraces “protection of rights of personal privacy and publicity.” *See, e.g., Bridgestone/Firestone Research, Inc. v. Automobile Club De L’Quest De La France*, 245 F.3d 1359, 1363 (Fed. Cir. 2001); *University of Notre Dame Du Lac v. J.C. Gourmet Food Imports Co.*, 703 F.2d 1372, 1376 (Fed. Cir. 1983). An examiner may use Section 2(a) to refuse registration even in cases where the name of the well-known person, institution, beliefs or national symbols are not registered. Although bad faith intent is not necessary to establish a claim, a finding of bad faith intent would weigh in favor of a finding of false association.

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.

*See, e.g., In re Jackson Int’l Trading Co.*, 103 USPQ2d 1417, 1419 (TTAB 2012); *In re Peter S. Herrick, P.A.*, 91 USPQ2d 1505, 1507 (TTAB 2009); *In re MC MC S.r.l.*, 88 USPQ2d 1378, 1379 (TTAB 2008); *Association Pour La Def. et la Promotion de*

*L'Oeuvre de Marc Chagall dite Comite Marc Chagall v. Bondarchuk*, 82 USPQ2d 1838, 1842 (TTAB 2007); *In re White*, 80 USPQ2d 1654, 1658 (TTAB 2006); *In re White*, 73 USPQ2d 1713, 1718 (TTAB 2004); *In re Nuclear Research Corp.*, 16 USPQ2d 1316, 1317 (TTAB 1990); *Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428, 429 (TTAB 1985); *In re Cotter & Co.*, 228 USPQ 202, 204 (TTAB 1985); *see also Univ. of Notre Dame du Lac*, 703 F.2d at 1375-77 (providing foundational principles for the current four-part test used to determine the existence of a false connection).

It is also possible for an examiner *ex-officio* to refuse registration under Section 2(c) of the Trademark Act, 15 U.S.C. §§ 1052(c). Section 2(c) reads as follows:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it ... (c) Consists of or comprises a **name, portrait, or signature identifying a particular living individual except by his written consent**, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow. (Emphasis added).

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. *In re Hoefflin*, 97 USPQ2d 1174, 1176 (TTAB 2010); *see also Univ. of Notre Dame du Lac*, 703 F.2d at 1376 n.8; *Canovas v. Venezia* 80 S.R.L., 220 USPQ 660, 661 (TTAB 1983).

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.

However, please be advised that Article 53 of the TMA stipulates that "a trademark owner may not use his/her registered trademark without the consent of the copyright owner, if depending on such use, the trademark right conflicts with the other party's copyright which was vested before the filing date of the trademark application."

For your information, there are cases where a company that owns both the copyright and foreign trademark right is prohibited from using the trademark within Korea, because a third party has already registered the same design as a trademark right with

the KIPO. This is possible because copyrights and trademarks have different criteria and purposes for protection and fall within two separate legal systems. Thus, a trademark that is identical or similar to a prior copyrighted work can be applied for and registered by a person other than the copyright holder. However, due to the above TMA Article, in general, a copyright owner may have the legal ground to request, based on his/her copyright, that a local trademark owner stop use of its trademark.

IF YES:

- i) Please provide provision(s) of the relevant law or regulation.

### **JPO**

Article 4 Notwithstanding the preceding Article, no trademark shall be registered if the trademark:  
(viii) contains the portrait of another person, or the name, famous pseudonym, professional name or pen name of another person, or famous abbreviation thereof (except those the registration of which has been approved by the person concerned);

(Relationship with another person's patent right, etc.)

Article 29 Where the use of a registered trademark in a particular manner in connection with its designated goods or designated services conflicts with another person's right to a patent, utility model or design for which an application has been filed prior to the filing date of an application of the said registered trademark or upon another person's copyright or neighboring right arising prior to the filing date of the same, the holder of trademark right, exclusive right to use or non-exclusive right to use may not use the registered trademark in the same manner on the conflicting part of the designated goods or designated services.

### **OHIM**

Article 53(2) CTMR provides that a CTM 'shall also be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings where the use of such trade mark may be prohibited pursuant to another earlier right under the Community legislation or national law governing its protection, and, in particular, a right to a name, a right of personal portrayal, a copy right or an industrial property right.'

### **SAIC**

Section 31 of the "Trademark Law" provides that no trademark application shall cause damage to the right previously hold by another party, nor shall an applicant rush to register in an unfair manner a mark that is already in use by another party and that enjoys substantial influence.



**USPTO**

Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a), prohibits the registration of a mark that consists of or comprises matter that may falsely suggest a connection with persons, institutions, beliefs, or national symbols.

Section 2(c) of the Trademark Act, 15 U.S.C. § 1052(c), prohibits the registration of a mark that comprises a name, portrait, or signature identifying a particular living individual except by his written consent.

ii) Please provide the timing when the provisions apply, e.g. at the filing date, final decision by examiners, etc.).

**JPO**

At the time of filing their applications and at the time of examiners' decision on them. (Article 4, Paragraph (1), Item (viii))

**OHIM**

Any time after registration of the CTMR, unless there are limitations in the national law of the EU Member State, where applicable.

**SAIC**

The above provisions apply during the proceedings of opposition and trial against the examiner's decision of a trademark, after the final decision by the examiners.

**USPTO**

The provisions apply at the time of the filing date.

iii) Is the above provision(s) determined by ex-officio examination or is it left to opposition or invalidation/cancellation of the registration”?

**JPO**

Applications may be considered to be filed under bad faith on the basis of certain factors such as other persons' name, and might be refused by ex-officio examination. Additionally, they may be determined in opposition proceedings or invalidation trials.

**OHIM**

It is left to invalidity/cancellation actions.

**SAIC**

They apply during the subsequent proceedings of opposition and trial against the examiner's decision.

**USPTO**

Refusals under Sections 2(a) and 2(c) would be determined during ex-officio examination and opposition/cancellation.

- iv) Are there rules on burden of proof? If so, who bears it? Are there situations in which there is a presumption of bad faith (as a result of legal provisions or case law)?

**JPO**

The burden of proof rests on the parties who claim that the said trademarks fall under Article 4, Paragraph (1), Item (viii).

**OHIM**

The invalidity applicant will have to provide the necessary national Member State legislation in force and put forward a cogent line of argument as to why it would succeed under specific national law in preventing the use of the contested mark. A mere reference to the national law will not be considered sufficient.

The invalidity/cancellation ground based on other earlier rights under Article 53(2) CTMR is a separate ground from that of bad faith under Article 52(1)(b) CTMR.

**SAIC**

There are rules of burden of proof, and the holder of a trademark bears it.

**USPTO**

Examining Attorney and plaintiff bear the burden of proof to show by a preponderance of the evidence that the mark falsely suggests a connection with another person or is the name of living individual.

- v) Please provide examination guidelines.

**JPO**

Examination Guidelines for Trademarks

Article 4(1)(viii) (Name of Another Person)

1. "Another person" in this paragraph means any person who actually exists and includes any foreigner.
2. Where an applicant's own name is the same as that of another person, the consent of another person concerned is required.
3. In determining the degree of "famous," the relationship of the name with goods or services is taken into consideration.

In cases when, after eliminating certain parts of trademarks, such as "general incorporated foundation," "K.K.," "Co.," "Co., Ltd.," etc, any remaining words are recognized at first glance to be names or titles of specific persons and/or entities, such trademark applications may be refused as trademarks that fall under Article 4, Paragraph (1), Item (viii).

(7) Concerning trademarks consisting of trade names, the similarity is judged by removing customarily used words such as "K.K." and "Co., Ltd."

#### **OHIM**

The relevant excerpt of OHIM's guidelines on other earlier rights under Article 53(2) CTMR is attached.

#### **SAIC**

"The right previously hold by another party" provided in Section 31 of the "Trademark Law" indicates that the right was hold by another party before the filing date of the disputed trademark, and the right includes rights other than the trademark right, such as a trade name right, a copyright, a design right, a name right and a portrait right.

Trade Name Right: The right to file application of a letter trademark similar to a trade name which is registered and used by another party earlier and has substantial name recognition, and such disputed trademark that may mislead the public in China, damage the interests of another party holding the trademark right earlier, and is decided as infringing the trademark right held by other party, shall not be given the right, nor the right shall be erased.

Copyright: Act to file application of a trademark of a copyright held earlier by another party without permission of the copyright holder is decided to infringe a copy right held by another party earlier, thereby, the disputed trademark shall not be given the right, nor the registration shall be erased.

Design Right: Act to file trademark application for goods that are the same as or similar to goods of another party's design without permission of the other party is decided to infringe the design right held by other party earlier, thereby, the disputed trademark shall not be given the right, nor the registration shall be erased.

Name Right: Disputed trademark that is an application of another party's name filed without permission of the other party, and infringes or may infringe other party's name right shall not be given the right, nor the registration shall be erased.

Portrait Right: Disputed trademark that is an application of another party's portrait filed without permission of the other party, and infringes or may infringe other party's portrait right shall not be given the right, nor the registration shall be erased.

### **USPTO**

Please see answer above.

vi) Please provide examination practices.

### **JPO**

Please see v).

### **OHIM**

See OHIM guidelines (attached) for examples.

### **SAIC**

Please see v).

### **USPTO**

Please see answer above.

vii) Please provide relevant example of examinations, trial decisions, or court decisions.

### **JPO**

“SONYAN” Case

Tokyo High Court (Gyo-ke) No. 133 1997, Date of Decision April 26, 1978.

<Summary of Court Decision>

# SONYAN

Trademark in this case

The trademark in this case consists of horizontally written Roman alphabet letters “SONYAN,” designating goods classified as Class 16 (current Class 24) “Woven fabrics, knitted fabrics, felts, other textile fabrics.”

On the other hand, [SONY] has been a trademark for “telecommunication machines and apparatus” including “transistor radios, televisions, tape recorders,” which the plaintiff deals in, and is a coined mark consisting of the horizontally written Roman alphabet letters “SONY,” along with a mark consisting of horizontally written Japanese katakana characters “ソニー.” This also represents the pronunciation of “SONY” in Japanese. Both have been very famous in Japan and abroad. The court found that, at the time when the claimed trademark in this case was filed, the two SONY/ソニー-marks were already well known and famous among the public, not only as trademarks for products that the plaintiff manufactures and sells but also as the abbreviated name of the plaintiff.

At the same time, in terms of the style displayed by the letters, “SONYAN” consists of a set of letters and does not have any inherent distinctiveness in its style. Among these six letters, the first four letters are identical with those of the plaintiff’s coined word “SONY.” Moreover, judging from the degree of knowledge about English language in Japan, two letters “AN” following these four letters “SONY” may be intuitively understood in most cases to form a word meaning “of,” “have characteristics of” or “nationality of.”

Based on these, it should be noted that the subject trademark “SONYAN” may easily enable consumers to gain an image of and recognize the plaintiff’s famous abbreviated name “SONY,” and that, in terms of components, consumers may understand the main part of the trademark “SONYAN” as “SONY” in most cases.

Therefore, it could be said that the trademark in this case is a trademark containing a famous abbreviated name of others and falls under Article 4, Paragraph (1), Item (viii).

## **OHIM**

See OHIM guidelines (attached) for examples.

## SAIC



### (1) Figure Trademark No.7968391 "季世家 1915" opposition issue:

China Guizhou 茅台酒厂 Inc. employing Beijing 恒華佳信 Trademark Agency Inc. as an agent and 季克良 employing Beijing 中理通 Intellectual Property Inc. as an agent (hereinafter referred to as opponents) opposed to 塗彪 employing Guizhou 名之 Intellectual Property Service Inc. as an agent (hereinafter referred to as respondent) against Figure Trademark No. 7968391 "季世家 1915," which passed the initial examination of our Office and appeared in "trademark bulletin" No.1237, and our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has not answered to it within a set time limit.

Our Office's opinion after examination is as follows: Because main features of the figure of head of a person of a trademark under opposition are similar to those of the portrait of 季克良 cited by two opponents, the respondent filed application of this portrait without asking for and permission of the opponent in its own name, and infringed the portrait right. Our Office's decision according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent is established, thereby, the registration of Trademark No. 7968391 "季世家 1915" shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied to this decision, the party concerned can apply for a new trial to Trademark Appeal Board within fifteen days from the date of this decision.

### (2) "Figure" Trademark No. 1563706 opposition issue:



李世林 (hereinafter referred to as opponent) opposed to Boading 双泉酒厂 employing Hebei 知力 Trademark Office Inc. as an agent (hereinafter referred to as

respondent), against Figure Trademark No.1563706, which passed the initial examination of our Office and appeared in "Trademark Bulletin" No.769. Our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has not answered to it before a set time limit.

The reason for opposition of the opponent: Because the trademark under opposition is the figure of "長寿神," a trademark using "the general name and the figure of this goods" should not be filed. The opponent has already filed application of this figure as the design of a box of old liquor for nutritional fortification in June 1994, and the figure was registered.

The trademark under opposition infringes the right of the opponent, thereby the act to file application of the figure goes against the provision of the "Trademark Law."

Because the respondent is producing and selling of alcoholic-drinks package boxes, on which the design of the opponent is displayed, this act falls under infringement of the opponent's right, and the opponent has already filed a suit in the Court.

Under the premise that the respondent recognizes the act as infringement of the opponent's right, the both sides entered into a settlement agreement, the Court already has issued the "Documents for Conciliation of Civil Affairs." The infringing act of the respondent has already damaged the interests of the opponent, thereby the Administrative Law Enforcement Division has already examined the respondent and imposed an administrative punishment to the respondent, in some areas.

The opinion of our Office based on facts and reasons stated by the party concerned is as follows: The trademark under opposition consists of Figure of 長寿神, is designated for "liquor (drink), liquid including alcohol, and alcoholic drink (except for beer)" in 33<sup>rd</sup> class, and was filed an application on January 20, 2000.

According to sources of evidence provided by the opponent, the opponent has already filed an application of a design for a box (of an old liquor for nutritional fortification) on June 27, 1994, and registered as a design (patent No.: ZL 94 3 04253.4)

Because appearances of the trademark under opposition and the design of the

opponent are similar to each other, and the filing date of the trademark under opposition is later than that of the design of the opponent, the right of the opponent would be the previously held one.

Registration and use of the trademark under opposition would damage the right previously held by the opponent.

Our Office's decision according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent is established, thereby the registration of Figure Trademark No. 1563706 shall not be permitted.

According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(3) Trademark No. 1965652 "洪河" opposition issue:

Chengdu City 洪河聯办(簡体字)茶厂 employing Sichuan Trademark Office as an agent (hereinafter referred to as opponent) opposed to Chengdu 峨眉茶業 Inc. (hereinafter referred to as respondent) against Trademark No. 195652 "洪河," which passed the initial examination of our Office and appeared in "Trademark Bulletin" No.848. Our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has answered to it before a set time limit.

The reason of the opposition of the opponent: "洪河" infringes the right of trade name and the right of goods name of the opponent. The registration of Trademark "洪河" is apparently an act of filing a misappropriated application. The answer of the respondent: The trademark under opposition does not infringe the right of trade name and the right of goods name of the opponent.

Our Board's opinion based on the facts stated by the party concerned is as follows: The Trademark Examination Board decided that Trademark No.987231 and Trademark No.1313779 "洪河" of the respondent were trademarks that were invalid to be registered, and registration of them has already been erased.

In the above two issues, the decision of the Trademark Examination Board is as follows: It is clear that Trademark "洪河" is the name of an enterprise of the opponent, that is, Trademark "洪河" is a trade name. Through long-term use of the



opponent, trade name "洪河" is already known to the relevant public in some areas.

The trademark under opposition is completely the same as the constitution of characters of the trade name of the opponent, thereby it may mislead the public, and damage legitimate right and interest of the opponent.

In addition, since at least 1991, the opponent has already been used "洪河" as the peculiar name of Jasmine tea goods and also has been used the name together with "芝龙," which is the trademark of the opponent, for the packing of tea goods.

Through the use by the opponent, "洪河" has already an effect of differentiating the source of goods, thereby it can be said that the mark has remarkable characteristics to be provided to a trademark. In this issue, it can be said that it is a non-registered trademark used for Jasmine tea goods of the opponent.

The act of the respondent is a misappropriated application of the trademark of the opponent and goes against the provisions in Section 31 of the "Trademark Law." Because the situation and the facts of this item are the same as the above two issues, filing application of the trademark under opposition goes against the provisions of the above Law.

According to Sections 31 and 33 of the "China Trademark Law," our Board decided as follows: The opposition of the opponent establishes, and the registration of Trademark No.1965652 "洪河" shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(4) Trademark No.3266232 "余進華 YUJINHUA" opposition issue:

余進華 employing Wenzhou 興業 Trademark Office Inc. as an agent and Wenzhou Gill 達製靴業 Inc. employing Wenzhou 興業 Trademark Office Inc. as an agent (hereinafter referred to as opponents) opposed to 葉玉弟 (hereinafter referred to as respondent), against Trademark No.3266232 "余進華 YUJINHUA" which passed the initial examination of our Office and appeared in the "trademark bulletin" No.905. Our Office accepted the opposition according to Section 30 of the "China Trademark Law." The respondent has not answered to it within a set time limit.

The opinion of our Office after deliberation is as follows: The opponent 余進華 is the representative director of another opponent Wenzhou Gill 達製靴業 Inc. Wenzhou Gill 達製靴業 Inc. and its registered trademark "吉尔达 JED" have comparatively high name recognition in the leather shoes industry of our country, thereby, the representative 余進華 is also widely known in the industry.

Chinese characters of the trademark under opposition are the same as the name of 余進華, and the designated goods include shoes products of the enterprise of the opponent. In addition, other than the trademark under opposition of this issue, the respondent have filed application of many trademarks which are the same as the names of administrative directors of famous shoemaking industries in Zhejiang, such as "金林兴," "钱金波," "胡启多," "王振滔," "单志敏" and "余阿寿," thereby our Office, while recognizing that the above acts of the respondent to file application of trademarks clearly include misappropriation, decided that the name right of 余進華 may be damaged, and the name rights of others are already infringed.

The decision of our Office according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent establishes, thereby the registration of Trademark No.3266232 "余進華 YUJINHUA" shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(5) Figure Trademark No.3308372 opposition issue:



特納期娛樂 Service Company employing Beijing 正理 Trademark Office Inc. as an agent (hereinafter referred to as opponent) opposed to 羅偉烈 employing Beijing 万慧達知識產權 Agency Inc. as an agent (hereinafter referred to as respondent), against Figure Trademark No.3308372, which passed the initial examination of our Office and appeared in the "trademark bulletin" No.913. Our Office accepted the opposition according to Section 30 of the "China Trademark Law."

The respondent by committing Beijing 諾孚爾 Intellectual Property Agency Inc. has answered to it within a set time limit. The opinion of our Office after deliberation is as follows: The shape of figure expression of the figure trademark under opposition is same as the shape of the expression of a figure of which right and copy right are previously held by the opponent, and sources of evidence provided by the opponent can also prove that the opponent had already held the right of the trademark under opposition earlier than the respondent.

The decision of our Office according to Sections 31 and 33 of the "China Trademark Law" is as follows: The opposition of the opponent establishes, thereby the registration of Figure Trademark No.3308372 shall not be permitted. According to Section 33 of the "China Trademark Law," if being unsatisfied with this decision, the party concerned can apply for a retrial against this decision to the Trademark Appeal Board within 15 days of this decision.

(6) Trademark No. 3517447 "易建联" disputed issue:

The disputed trademark was filed on April 8, 2003, registered on May 21, 2005, and goods such as shoes were designated. The opponent (易建聯) has applied to erase the registration of the disputed trademark since on March 24, 2006.

According to our Board's opinion, the opponent is a well-known basketball player of our country and already had some social name recognition before filing application of the disputed trademark. The respondent (易建联 Sporting Goods (China) Inc.) has not received the permission of the opponent. Filing application of characters as a trademark, which are the same as the name of the opponent infringes the name right of the opponent, thereby goes against the provision in Section 31 of the "Trademark Law."

The decision of our Board according to Sections 31, 41(2) and 43 of the "China Trademark Law" is as follows: The registration of the disputed trademark shall be erased.



(7) Figure Trademark No.1004698 opposition retrial issue:

The disputed trademark was filed on September 4, 1995, designated for goods, such as drinks not including beer or alcohol, and registered on May 14, 1997. The opponent (VEDAN Enterprise Corporation) applied to erase the registration of the said trademark on November 25, 1997.

The claim of the opponent: The opponent is the creator and holder of the said Figure Trademark. The opponent is a Taiwanese food manufacturing company with 40 years' history, of which drinks, chemical seasonings and foods such as wheat flour are sold in countries all over the world including Mainland China.

A wax gourd tea is one of the many drinks manufactured by the applicant. The design of a box packing them is filed an application in Mainland China on May 1, 1994, and the registration No. is 25875 and the validity is ten years. The disputed trademark is plagiarism of the packing's design of the wax gourd tea products, which is possessed by the opponent.

The figure of the disputed trademark is the reproduction of the other party's legal right thereby infringes it. The evidence filed proves that the opponent registered the design of the packing box of the wax gourd tea which was manufactured by the opponent on May 1, 1994. The registration No. is ZL 93 3 005349.5, and the right certificate No. is 25857.

The figure of the disputed trademark is very similar to the design right of Box No. ZL 93 3 005349.5. The two are very similar to each other in whole compositions, figure of a man and even the layouts of articles.

The disputed trademark of this issue and the figure of the precedent design of the opponent are very similar to each other in main bodies. The act for the respondent (Fujian 味全集团 Company) to filing an application to register the figure of the precedent design right as its own right goes against Section 31 of the current "Trademark Law" of our country, and the registration of the disputed trademark falls under the situation of the provision in Section 41(2) of the current "Trademark Law."

The decision of our Board according to Sections 31, 41(2) and 43 of the current "China Trademark Law" and Section 27 of the "Enforcement Regulations of the China Trademark Law" is as follows: The opposition against Figure Trademark

No.1004698 registered by the respondent establishes, thereby the registration of Figure Trademark No.1004698 shall be erased.

## **USPTO**

*In re Richard M. Hoefflin*, 97 USPQ2d 1174 (TTAB 2010). In this case, the applicant attempted to register the trademarks OBAMA BAHAMA PAJAMAS, OBAMA PAJAMA, and BARACK'S JOCKS DRESS TO THE LEFT for pajamas and briefs. The examiner issued a Section 2(c) refusal to register the mark, because the record did not include the written consent of President Barack Obama, the living individual allegedly identified in the marks. The applicant claimed that the terms "Barack" and "Obama" do not refer to any particular individual, and specifically not "the United States President Barack Hussein Obama II." The TTAB affirmed the Examiner's refusal.

*In re Jackson Int'l Trading Co.*, 103 USPQ2d 1417(TTAB 2012). The TTAB affirmed the examiner's refusal under Section 2(a) to register the mark BENNY GOODMAN COLLECTION THE FINEST QUALITY (stylized) for fragrances, cosmetics, leather goods and clothing, finding that the mark falsely suggests a connection with the late composer and clarinetist Benny Goodman. The examiner cited various Internet websites and references, and argued that Benny Goodman "had a very long and successful career as a musician and bandleader, with a reputation that continues to this day." The TTAB noted that performers frequently license their names for collateral products, and therefore consumers would associate Applicant's goods with this "well-known bandleader, composer and clarinetist."

### **Q6. Any other views except for Q1- Q5**

If there are any other views/situations that deal with bad faith filings, please provide information.

## **JPO**

Nothing in particular.

## **OHIM**

No further observations.

## **III. Procedures**

### **Q1. Procedures for Oppositions in Pre-Publication**

- Are there any countermeasures against bad faith filings by a third party (e.g. providing information before substantive examination by the examiner)?

## **JPO**

Information Statement System

Article 19(1) of the Ordinance for Enforcement of the Trademark Act

Where an application for trademark registration has been filed, any person may provide the Commissioner of the Patent Office with information to the effect that the application for trademark registration is unregistrable pursuant to the provisions of Art. 3, Art. 4(1)(i), (vi) through (xi), (xiii), or (xv) through (xix), Art. 7-2(1), or Art. 8(2) or (5) of the Trademark Act by submitting a publication, a copy of an application for trademark registration, or any other document with regard to said application for trademark registration. However, only those trademark applications pending before the JPO are subject to the offering of information.

## **KIPO**

Provision of information and opposition are available to countermeasure bad faith filings.

## **OHIM**

The CTMR considers bad faith only as an absolute 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.

## **SAIC**

The China Trademark Law has no provision with regard to providing information to the Trademark Office before publication of the initial examination of a trademark, that is, before the substantive examination. As the position of Governmental Organization, the public can reflect situation to the Trademark Office in writing so that the Office may use the information as reference, however, this kind of visiting is far from legal measures.

## **USPTO**

Although third parties may not contact examiners directly, there is a mechanism—a “letter of protest”—by which third parties may submit certain evidence to the Commissioner’s Office for consideration. If accepted, the evidence would then be forwarded to the Examiner for consideration.

- If a third party provides such information to examiners, how will examiners/offices deal with such information?

### **JPO**

The examiner examines the submitted documents, and if he/she becomes convinced that the trademark application has a reason for refusal, he/she notifies the applicant of the reason for refusal.

### **KIPO**

The examiner considers such information in deciding according to the law and examination guidelines. If such information is acceptable, the application in bad-faith will be rejected and the results of providing information will be also notified to the person and/or company who provide an information with the KIPO

### **OHIM**

Under the CTM system, information received by Third Parties after the publication of the CTM application in accordance with Article 40 CTMR needs to relate to absolute grounds for refusal of a CTM application under Article 7 CTMR. Bad faith is not an absolute ground for refusal, but exclusively a ground for invalidity/cancellation that can be relied upon after the CTM has been registered.

### **USPTO**

A letter of protest is an informal procedure created by and existing at the discretion of the USPTO, in which third parties may bring to the attention of the USPTO evidence bearing on the registrability of a mark. When a letter of protest is filed with the Commissioner's Office, the Commissioner's Office accepts or denies the letter within approximately 30 days from filing. If accepted, the evidence, but not the letter of protest, is forwarded to the examiner for consideration. However, the evidence must relate to issues that can be prosecuted to its legal conclusion by the examiner in the course of *ex parte* examination. The evidence usually relates to a likelihood of confusion, descriptiveness or a pending litigation. 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.

## **Q2. Integration of Procedures Related to Oppositions or Appeals and Trials**

- Some bad faith filings consist of so many applications. One example is a trademark indicating various goods or services in various fields. In cases like

this, it seems that all the evidence proving “intent to use” or the degree of “famous/well-known” could be the same. In connection with this, are there any procedures to consolidate several trials?

## **JPO**

Yes

[Opposition]

(Joint or separate conduct of oppositions)

Trademark Act Article 43-10 Where two or more oppositions to registration are filed in relation to the same trademark right, unless special circumstances exist, the examinations thereof shall be conducted jointly.

The following are excerpts from the 66-05 session of the “Manual of Appeal and Trial Proceedings on Patents, Utility Models, Designs and Trademarks” of the JPO:

### (A) Basic principles of consolidating appeal/trial examinations

Whenever two or more oppositions are filed against one registration, appeal/trial examinations for them will be consolidated, unless special circumstances exist. Also, examination trials will be consolidated, regardless of whether any designated goods or services, or whether any reasons and/or evidence related to each opposition are the same.

### (B) Special circumstances

“Special circumstances” means any circumstances that would make it even more complicated and difficult for the trial to proceed especially because of the appeal/trial examinations being consolidated. For example, this could be cases in which a written opposition for any one of the oppositions to registration is dismissed and a lawsuit is filed against such decision.

### (C) Effect of consolidating appeal/trial examinations

#### (1) Proceedings after consolidation

When appeal/trial examinations are consolidated, all procedures regarding decisions, such as notifications of reasons for cancellations, submission of written arguments, appeal/trial decisions on oppositions to registrations, are consolidated.



(2) Effective use of submitted documents and means of proof, etc.

In cases when appeal/trial examinations are consolidated, any means of showing proof presented or submitted in regard to each opposition to registration will be used in the appeal/trial examinations for every opposition to registration that is consolidated.

(D) Procedures for consolidating appeal/trial examinations

(1) In general, since appeal/trial examinations are consolidated when two or more oppositions are filed against any one registration, notifications are not given advising that the appeal/trial examinations will be consolidated.

(2) Procedures for cases in which appeal/trial examinations are not consolidated

Whenever two or more oppositions are filed against one registration and appeal/trial examinations are conducted on any one or more oppositions without being consolidated, notifications to that effect will be sent to the trademark rights holders, the persons filing the oppositions, and any parties concerned.

<Trials>

Article 154, Paragraph (1) of the Patent Act will apply mutatis mutandis under Article 56, Paragraph (1) of the Trademark Act

(Joint or separate conduct of proceedings)

Article 154 (1) Where one or both parties to two or more trials are identical, the proceedings may be jointly conducted.

The following are excerpts from section 30-03 of “Manual of Appeal and Trial Proceedings on Patent, Utility Model, Design and Trademark” of the JPO

● Requirement for Consolidation of Appeal/Trial Examinations

(1) Sameness of One or Both of Interested Parties

Either one or both of the interested parties being in common is sufficient for consolidation of examinations, for both inter-partes and appeal examinations.

(2) Two or More Appeal/Trial Examination Cases

The “two or more appeal/trial examinations cases” that could be consolidated must be those of the same type.

### (3) Necessity of Consolidation of Appeal/Trial Examinations

It is required to be found that the consolidation of cases could be expected to result in the purpose of consolidation being attained.

The following are examples of conditions which could be expected to result in attaining the purpose of consolidation:

- (i) Cases calling for similar examinations of evidence.
- (ii) Cases with common technical basis for the inventions involved.
- (iii) Cases with common cited reference and means of proof.
- (iv) Two or more trials for invalidation against the same patent.

### (4) Timing of Consolidation

Consolidation of cases shall take place before conclusion of examination.

#### ● Procedures for Consolidation of Appeal/Trial Examinations

##### (1) Determination by (Collegial Body of) Appeal/Trial Examiners

The power of determining whether or not to consolidate examination procedures lies with the collegial body of appeal/trial examiners. The examiners may decide ex officio, under free judgment.

##### (2) Notification of Decision to Consolidate Appeal or Trial Examinations

When examinations are to be consolidated, the Appeal/Trial Examiner-in-chief shall notify the party(ies) involved to that effect.

#### ● Effect of Consolidation of Appeal/Trial Examinations

(1) Appeal/trial decisions can be made at the same time with a single decision, for the number of cases that have been consolidated.

##### (2) Utilization of Submitted Documents and Means of Proof, etc.

When two or more appeal/trial examinations have been consolidated, documents and other items submitted or shown for each case prior to consolidation, and means of proof obtained in the examination of each case prior to consolidation, may be utilized in the consolidated appeal or trial case.

## **KIPO**

TMA Article 77-23 stipulates that the examiner in the IPT may conduct trial proceedings or make trial decisions, jointly or separately, with regard to two or more trial proceedings where one or both parties thereto are the same

## **OHIM**

Where several invalidity actions on the basis of bad faith are introduced by the same invalidity applicant against several registered CTMs, or several appeals raised against several such invalidity decisions, the cases can, depending on the circumstances, be treated as ‘related cases’ both by the first instance and by the Boards of Appeal. However, even for related cases, there will be, in practice, one invalidity/appeal decision for each of the individual invalidity/appeal actions, not one decision covering all related cases. Evidence introduced by the parties in the first of those invalidity/appeal actions can, under certain circumstances, be relied upon in the following related cases by introduction of a clear cross reference to it in the submissions for each individual case.

In relation to the example given in the question above of a trade mark indicating various goods or services, please note that, as described in the answer under Q1, as a rule, it is legitimate for an undertaking to seek registration of a mark, not only for the categories of goods and services which it markets at the time of filing the application, but also for other categories of goods and services which it might wish to market in the future. There is no legal basis for making a finding of bad faith due to the length of the list of goods and services set out in the application for registration.

## **SAIC**

There are proceedings for consolidated procedures.

## **USPTO**

Both the courts and the TTAB have a procedure in place to consolidate several trials. Under the Federal Rules of Civil Procedure 42 (a), when cases involving common questions of law or fact are pending before the Board or a court, they may order the consolidation of the cases. In determining whether to consolidate proceedings, the Board or a court will weigh the savings in time, effort, and expense which may be gained from consolidation against any prejudice or inconvenience that may be caused thereby.

## **IV. Others**

- Please provide measures or policies that you have in place for dealing with bad faith filings, and if there are any specific matters that should be noted in particular.

## **JPO**

Nothing in particular.

## **OHIM**

No further observations.

## **USPTO**

### **Default Judgment**

Default judgment helps eliminates unnecessary delays in resolving an opposition or cancellation if filed against a bad faith application. If a defendant fails to file an answer to a complaint during the time allowed, the TTAB may issue a notice of default. The notice states that neither an answer nor any extension of time to answer has been filed; that notice of default under Fed. R. Civ. P. 55(a) is entered; and that defendant is allowed 20 days from the mailing date of the notice in which to show cause why default judgment should not be entered against it. If the defendant fails to file a response to the notice, or files a response that does not show good cause, default judgment may be entered against it. *See* Trademark Trial and Appeal Board Manual of Procedure § 312.01, and 37 CFR § 2.106(a) and 37 CFR § 2.114(a).

### **Suspension of Pending Applications**

If an applicant has opposed or petitioned to cancel a prior application or registration of a “bad faith” party, USPTO will suspend action on its trademark application pending resolution of the opposition or registration. Action by the USPTO may be suspended for a reasonable time for good and sufficient cause. The fact that a proceeding is pending before the Patent and Trademark Office or a court which is relevant to the issue of registrability of the applicant’s mark will be considered prima facie good and sufficient cause. The examining attorney should suspend the later-filed application until the mark in the earlier-filed application is registered or the earlier-filed application is abandoned. 37 C.F.R. § 2.83(c). *In re Direct Access Communications (M.C.G.) Inc.*, 30 USPQ2d 1393 (Comm’r Pats. 1993). This procedure helps eliminate unnecessary costs and actions in situations where a party’s application has been refused on the basis of a “bad faith” application or registration which it is in the process of opposing or cancelling.