

8 Expanding the Protection of Famous Trademarks

In the course of the globalization of economic activities and diversification of business lines in recent years, there is an increasing risk that the proprietary nature of trademarks, particularly famous trademarks, could be damaged. In the United States and major European countries, if a registered trademark is widely known or if its reputation is damaged, that trademark is protected while the relevant acts are deemed to constitute a trademark infringement, beyond the scope of the registered goods or services. The need to consider a desirable trademark system in Japan – including the expansion of the prohibitive effects of trademark rights and the significance of the defensive mark registration system – has been pointed out.

Against such a backdrop, in this study, the significance of the existence of the defensive mark registration system was redefined with regard to expanding the protection of famous trademarks. Surveys on the legal systems, etc. of countries/regions that have recently abolished or still maintain a defensive mark registration system were also conducted with regard to the questions of whether the prohibitive effects of registered trademark rights should be expanded to dissimilar goods or services that are likely to cause confusion, and how the problem of dilution of trademarks should be handled. A comparative study between Japan and these countries/regions was then conducted. Moreover, taking up the problem of trademarks on the Internet, an ideal form of Japanese legal system was examined by examining the legal systems of the United States and European countries, as well as court cases in which trademarks specifically became an issue.

I Introduction

1 Background of This Study

Mainly in the United States and European countries, there are growing moves toward expanding the scope of the effects of protection of trademarks that have become well-known and famous and have achieved a proprietary nature and credibility which attract consumers. In response to this, moves to consider an ideal form of protection of famous trademarks have also been proceeding in Japan.

This study aims to conduct a comparative study on the protection systems for famous trademarks in other countries, mainly countries that maintain a defensive mark registration system or have maintained one until recently, and specifically to discuss an ideal form of protection of famous trademarks in Japan. In this study, the significance of the existence of the defensive mark registration system is redefined, and the following questions are considered:

whether the prohibitive effects of registered trademark rights should be expanded to dissimilar goods or services that are likely to cause confusion, and what protection is possible in cases where the distinctiveness or reputation of a trademark is used without authorization or is damaged (dilution of the trademark).

In addition, the use of marks on the Internet is cited as an area in which an increase in the number of conflicts pertaining to famous trademarks has been noted. Information on the Internet is accessible from around the world, and there is always the risk that a mark used on the Internet will conflict with a registered trademark in another country where the mark is available for inspection. This study examines example cases in the United States and major European countries in which the use of a trademark on the Internet developed into a lawsuit, and cases where a person was accused of trademark infringement.

2 Study Method

In this study, interview surveys were conducted with domestic companies in order to understand the need for expanded protection of famous trademarks and protection of trademarks on the Internet. In addition, to compare the trademark systems of other countries, surveys on the protection of famous trademarks were conducted in Australia, New Zealand and Taiwan, and surveys on the protection of trademarks on the Internet were conducted in the United States, the United Kingdom, Germany and France. Both surveys were conducted by asking law firms in those countries for cooperation. Moreover, with regard to the subject items of this study, interview surveys were conducted with persons of learning and experience who have rich knowledge about these issues, while relevant documents and court precedents in Japan and abroad were also studied. The results were used as a basis for consideration in this study.

II Regarding Expansion of the Protection of Famous Trademarks

1 Identification of the Problem

Under the Japanese Trademark Act, the effects of a trademark right extend to goods/services that are identical with the designated goods/services (Article 25 of the Trademark Act), and protection is provided with respect to goods/services that are similar to the designated goods/services, based on the concept of acts deemed to constitute infringement (Article 37(i) of said Act). However, many acts of free riding that harm a famous trademark's capacity to attract consumers also occur in area that are not similar to the goods or services designated by a registered trademark. For this reason, the Japanese Trademark Act establishes a registration system, in which a mark that is widely recognized among consumers is recognized as a defensive mark and its use by other persons is prohibited in cases where the use of the mark for

goods/services that are dissimilar to the designated goods or services of the mark is likely to cause confusion over their source. Moreover, the Japanese Unfair Competition Prevention Act (hereinafter called the "Unfair Competition Prevention Act") also contains provisions protecting well-known/famous trademarks.

In the course of the globalization of economic activities and diversification of business lines in recent years, there is an increasing risk that the proprietary nature of trademarks, particularly famous trademarks, could be damaged. Thus, moves toward expanding the effects of a trademark right are apparent in other countries. In response to such circumstances, the Trademark System Subcommittee (June 2003 to January 2006) in the Intellectual Property Policy Committee of the Industrial Structure Council made a recommendation to the effect that it is necessary to consider expanding the effects of a trademark right. This study aims to develop more specific discussions on the ideal form of protection of famous trademarks in Japan, in response to that recommendation. This study presents measures for possible new protection systems in light of trends in the protection of famous trademarks in other countries in the international community, as well as requests from Japanese companies.

2 Protection of Famous Trademarks in Other Countries

(1) Protection of famous trademarks in the United States, Europe and China

In the United States, Europe (European Community, the United Kingdom, Germany and France) and China, each jurisdiction does not adopt a system for the protection of famous trademarks in which rights are granted through advance registration of famousness. Therefore, under the systems of these countries, proof of reputation or being well known is required in order to receive protection from use for dissimilar goods/services. Trademarks subject to protection include those that have acquired

distinctiveness through use. In addition, even if a registered trademark is used for goods/services that are dissimilar to the designated goods/services of the registered trademark, if the registered trademark is widely known or has a reputation, the effects of the trademark right are expanded while the registered trademark is deemed a famous trademark. At the same time, if the distinctive feature or reputation of a trademark is used without authorization or is damaged, the trademark is protected while the relevant acts are deemed to constitute trademark infringement, even with respect to goods/services that are not similar to the designated goods/services.

(2) Protection of famous trademarks in Australia, New Zealand and Taiwan

In this study, three countries – Australia, New Zealand and Taiwan – were used as the targets of the overseas survey.

Both Taiwan and New Zealand had adopted a system equivalent to Japan's defensive mark registration system. However, New Zealand abolished this system through a revision of the Trade Marks Act in 2002, while Taiwan did so through a revision of the Trademark Act in 2003. These countries took separate measures to expand the protection of famous trademarks. Through a revision of the Trade Marks Act in 2003, Australia introduced provisions that expand the protection of famous trademarks while maintaining the defensive mark registration system. The overseas survey was conducted with a focus on the mechanism of protection of famous/well-known trademarks in each country – particularly the existence of a system to prevent dilution of trademarks – and the history and current situation concerning the maintenance or abolition of the defensive mark registration system.

This survey revealed that New Zealand and Taiwan abolished the defensive mark registration system and established provisions that prevent dilution as a new system that is an alternative to the defensive mark registration system, conforming with the trend in the United States and European

countries. Although the effects of the reform of the system are unclear, since not much time has passed since the legal revisions, the abolition of the defensive mark registration system has not caused any problems. However, in contrast with the Japanese defensive mark registration system, which protects famous trademarks, Taiwan's defensive mark registration system was a system that did not just protect famous trademarks. Therefore, some people wonder if trademarks that are not famous are sufficiently protected after the abolition of said system.

On the other hand, in its Trade Marks Act, Australia establishes provisions recognizing the effects of a trademark right to the extent that it is "unrelated" to the designated goods or services with respect to well-known trademarks, while maintaining a defensive mark registration system that is the same as Japan's in terms of content. In cases where the use of a well-known trademark has an adverse effect on the holder of the relevant trademark right, said use is recognized as constituting infringement of the trademark right only when unrelated goods or services are deemed to have a relationship with the holder of the trademark right. It has not been established by court precedents or theories whether this provision can deal with the problem of dilution of trademarks. However, it was revealed that there was a possibility that a provision more clearly aimed at protecting famous trademarks would be introduced in answer to future trends relating to the infringement of trademark rights.

The defensive mark registration system in Australia is to prevent the use of a trademark by another person from indicating a relationship with the holder of the relevant trademark right. The prevention of such false recognition as to the relationship with the holder of the trademark right is considered to overlap, in some part, with the prohibition of acts creating confusion under Article 2(1)(i) of the Japanese Unfair Competition Prevention Act.

3 Trends Among Domestic Companies

In this study, interview surveys were conducted with domestic companies with wide-ranging types of business, with the aim of understanding the current status of operation of the defensive mark registration system and examples of infringement of famous trademarks. The main questions were on the following three points:

- (i) Does your company use the current defensive mark registration system? What are the advantages of the defensive mark registration system? What would be the points to keep in mind if the defensive mark registration system was abolished?
- (ii) What improvements do you request with regard to the current defensive mark registration system?
- (iii) Has your company ever suffered infringement of a trademark right that could not be dealt with, or could not be sufficiently dealt with, under the current trademark system? What problems will arise if the scope of protection of famous trademarks is expanded in the future?

Regarding the first point, there were no companies that were making active efforts to obtain defensive marks. However, many companies that had obtained defensive marks in the past emphasized that, under the current law, the defensive mark registration system provides the only means of legally asserting the famousness of trademarks, and thus should be maintained in the future. With regard to proof of famousness, it is possible to assert famousness based on various indicators, including sales activities and advertising activities. However, considerable labor is required to get all the materials that are considered necessary. On the other hand, although reasonable costs are required to obtain a defensive mark, once it is obtained, it can serve as an effective means by which a right can be exercised as a famous trademark for ten years. The majority opinion of the companies interviewed was that there was no need to bother abolishing the system that has been used, and that if it

is abolished, it will probably be necessary to establish a system that can make up for the effectiveness of defensive marks – that is, making famousness legally known. On the other hand, in response to the current situation where fewer countries maintain a defensive mark registration system, some companies think that the abolition of the system is unavoidable, while others point out that, in some regions, trademarks that are not famous are protected based on the obtainment of defensive mark registrations and that protection can be far removed from the realities in cases where a trademark that was a big hit at the time of its registration has lost famousness during the following decade.

Regarding the second point, many companies pointed out the substantial costs required to obtain and manage multiple defensive marks. In addition, some raised the following point as a problem: although a mark is required to meet requirements such as famousness and the likelihood that confusion will arise, in order to be registered, the scope of effects is limited to marks identical with the registered trademark and does not extend to similar marks. On the other hand, there is an opinion that the effect – recognition of the famousness of a trademark is increased because a defensive mark was obtained – must not be missed, and thus that the requirements should not be diminished without careful consideration.

Regarding the third point, at present, many companies deal with each such case of infringement of a trademark right by sending a letter of warning or through prosecution, etc. based on the Unfair Competition Prevention Act. However, amid an increase in the number of trademark right infringements due to the inflow of counterfeit goods and expansion of commodity transactions via the Internet, it is necessary to incorporate areas for which the advisability of protection is unclear under the current system – including the prevention of dilution – into the Trademark Act in the future. Many companies think that there is no problem even if the scope of protection under the

Trademark Act overlaps with that under the current Unfair Competition Prevention Act.

4 Comparative Study Between Japan and Other Countries Concerning the Protection of Famous Trademarks

(1) Frameworks of well-known/famous trademarks in other countries

The provisions on the effects of a trademark right are divided into two groups: those in which the scope of the right is delimited without considering confusion as a requirement under the letter of the law, and those in which the scope of the right is delimited considering the likelihood of confusion as a requirement under the letter of the law.

The Japanese Trademark Act and some provisions of the trademark laws of European countries (the likelihood of confusion arising is not required in cases where the trademark and subject goods/services of a registered trademark and another trademark are the same) belong to the former group. Under this legal system, emphasis is placed on protecting the formal scope of the right, and it may sometimes be difficult to respond to acts creating confusion that arise beyond the scope of protection.

For the latter group, the scope of a right is delimited in consideration of individual and specific circumstances, under the requirement of likelihood of confusion over the source of goods or services. The Japanese Unfair Competition Prevention Act, U.S. trademark law, and some provisions of the trademark laws of European countries (those that stipulate as a requirement that confusion arises in cases where the trademark and subject goods/services of a registered trademark and another trademark are within the scope of similarity) are included in the latter group. In addition, Australia, New Zealand and Taiwan, which are subject to the current survey, are also said to adopt provisions of this type. It is possible to protect the source-indicating function – the essential function of a trademark – in consideration of individual

and specific circumstances. Therefore, the latter group is said to be a legal system that straightforwardly protects the goodwill which trademarks have.

(2) Ideal form of protection where confusion over the source is likely to arise

The Japanese trademark system introduces the concept of similarity with regard to trademarks and goods/services. The scope of similarity is understood as the scope of confusion over the source. Therefore, although it is effective to understand the scope of similarity uniformly in advance at the point of examination for registration, the scope of confusion over the source can actually change according to the famousness of a registered trademark. If a registered trademark becomes famous, confusion over the source may arise beyond the scope of similarity. Therefore, the use and registration of famous trademarks by persons other than the right holders are prohibited by recognizing the prohibitive effects of trademark rights for dissimilar goods/services as well, through clarifying in advance the scope in which confusion over the source may arise by establishment of the defensive mark system. However, the scope to which the effects of defensive mark registration extend is limited to those of a form identical with the registered defensive mark.

In recent years, the numbers of applications for and registrations of defensive marks have been limited compared to the numbers of applications for and registrations of ordinary trademarks. In addition, there have been no court cases in which a right was exercised based on a defensive mark registration. Court cases in which provisions on defensive mark registration became a point of contention have been limited to those in which the level of well-knownness or determination of identity of the relevant mark was disputed.

Looking at the defensive mark registration system in Japan from the perspective of protecting famous trademarks,

the scope of effects of a defensive mark is limited to marks identical with the registered mark, meaning that the system is not convenient. It is thus pointed out that prohibiting the use of an identical mark is insufficient to prohibit acts that are likely to cause confusion. In addition, it is also pointed out that it is rigid to set the duration of a right uniformly as ten years, despite variations in the period for which a trademark remains famous. On the other hand, there is another opinion that the advantage of the current defensive mark registration system is to prevent conflicts between companies by clarifying prohibited matters in advance, and that the effectiveness of the system is proven by the fact that there are no conflicts concerning defensive mark registrations.

In order to proceed to discussions on whether the right to prohibit trademarks that are likely to cause confusion over the source should be expanded, it is first necessary to clearly organize the concepts of “similarity” of goods or services and “confusion” over the source. In this regard, the court appears to consider that the similarity of goods/services should be determined, both at the point of examination and the point of infringement of a trademark right, based on whether or not goods/services are similar to the extent of causing confusion over the source.

In Japan, when considering expanding the effects of a famous trademark under the Trademark Act, the legal system adopted in the United States and European countries – in which the scope of the effects of a trademark right is delimited based on the “likelihood of confusion” – also seems to be sufficiently informative. Under this legal system, the scope of the effects of goods/services changes depending on famousness/being well known, and the similarity of the trademark used. Therefore, even if the goods/services of a business owner and those of another person are unlikely to mislead or cause confusion, the similarity of these goods/services can be affirmed if the goods/services of another person are likely to

be falsely recognized as goods/services pertaining to manufacture or sales by said business owner when a trademark that is identical or similar to a trademark used for the goods/services of the business owner is used for the goods/services of another person. It is necessary to hold discussions in sufficient consideration of the impact, etc. of these points on actual practice.

(3) Desirable protection where confusion over the source is unlikely to arise

Provisions preventing the dilution of a trademark – by which the connection between a famous trademark and its original owner, or distinction function, is diminished – are introduced in trademark laws in all of the jurisdictions subject to the survey, with the exception of Australia. The provisions grant protection from acts that prejudice the value of a registered trademark. For example, if a trademark for which an image of high technology/quality/services has been established with respect to electric appliances, etc. is used by another person for goods/services in fields other than electric appliances, the original image of the relevant famous trademark will be diluted as a whole, and the trademark’s capacity to attract consumers will deteriorate. In this case, dilution of the trademark occurs. Provisions preventing dilution implement regulations focusing on such modes of use of a trademark.

In the case of the United States, dilution is divided into two categories: “blurring,” in which the distinction function is lost due to the use of a certain trademark, and “tarnishment,” in which a famous trademark is used for inferior or unpleasant goods/services. On the other hand, in Europe, dilution is stipulated as cases where a registered trademark has a reputation in a member country and the distinctiveness (dilution) or reputation of the trademark is used without authorization or is damaged (tarnishment) without justifiable reason, irrespective of the similarity of goods/services.

In Japan, the provision of Article 2(1)(ii) of the Unfair Competition Prevention Act was

introduced in response to this issue. However, in reality, almost no lawsuits have been filed based solely on item (ii), and in most cases the ground for action is established in tandem with item (i) of said Act. However, even in cases based on the Unfair Competition Prevention Act, the same problem arises as for use as a trademark under the Trademark Act – that is, use by a third party has to be use for “indication of goods, etc.”

In the future, it is furthermore necessary to specifically consider the issue of whether the Trademark Act should go beyond protecting trademarks’ source-indicating function, or whether the Trademark Act should be made into a self-contained legal system through protecting trademarks as property rights.

III Protection of Trademark Rights on the Internet

1 Identification of the Problem

Marks used on the Internet are simultaneously and immediately accessible, irrespective of the domain. Therefore, they are highly likely to cause conflicts with trademarks registered in other countries, and the need has thus arisen to solve the problem of use of trademarks beyond national borders. With regard to the famous trademarks considered in the previous chapter, in interviews, companies pointed out an increase in the number of cases of infringement in terms of use of trademarks on the Internet.

From an international standpoint, the “Recommendation Concerning the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet” was adopted at the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization (WIPO) in 2001. Although this recommendation is not legally binding, it attempts to formulate international guidelines for solving the problem of conflicts with trademark rights,

and other problems that arise from the territoriality of trademark laws and the global nature of the Internet.

In addition, along with the increase in the number of cases of infringement, the number of court cases in which the infringement of trademark rights on the Internet is straightforwardly dealt with has been increasing in foreign countries. In Japan, efforts to protect trademarks on the Internet have also been launched. For example, the Ministry of Internal Affairs and Communications formulated the “Guidelines for the Provider Liability Limitation Act with Respect to Trademark Rights,” in cooperation with telecommunications carrier associations, etc.

In response to these moves, this study examines the types of legal action that other countries are taking in response to the problem of protection of trademarks on the Internet and how said problem is interpreted in actual court cases, and also studies the current status of infringement cases in Japan.

2 Modes of Use of Trademarks on the Internet and Trends Among Domestic Companies

With regard to the use of marks on the Internet, there are diverse modes of using them as trademarks. The main modes include use for a domain name, metatags, banner advertising, keyword buying, linking and flaming, though there are problems that are common to some of these. Out of these, for domain names, dispute-settlement procedures are being arranged in each country, and thus this study does not deal with the issue much. For other modes of use, problems in terms of the Trademark Act and court precedents are examined in this study.

Incidentally, this study aims to understand the actual conditions of trademark infringement on the Internet by conducting interview surveys with domestic companies. Example uses of trademarks on the Internet that become problems include the placement of a site that looks like the

original site by a business operator with no relationship with the company relating to the original site, displaying a logo in which the name of a famous company is incorporated, and the use of the name of a company as a parody. Such cases have become more complicated with the development of Internet technology, and there have been some cases in which the use of a trademark that is peculiar to the Internet has become a problem, including the establishment of a link to a website and the use of a registered trademark in banner advertising.

There are some proactive companies that conduct regular monitoring to discover problematic cases. Many companies raised the problem that the image and credibility that companies have achieved with effort could be harmed because it is technically easy to reproduce trademarks on the Internet.

However, with regard to the infringement of trademark rights on the Internet, many Japanese companies say that they hesitate to solve it by bringing a lawsuit. The following reasons are cited for this: (i) in many cases, the infringer deletes the relevant site if the right holder gives him/her a warning, and (ii) the scale of real damage caused by problematic transmission of information on the Internet is unclear and is hard to prove. In addition, many raised the point that it is very difficult to investigate the whereabouts of infringers, since it is easy to move home servers.

It appears that trademark infringement cases closely focused on Japanese companies have not been rapidly increasing with the spread of the Internet, although there are cases in which trademark rights have been infringed in the transmission of information from overseas servers. At this stage, it cannot be said that the problem of Internet-based infringement of trademark rights beyond national borders, and the issue of jurisdiction that is important in dealing with such infringement, has arisen for Japanese companies. However, many companies are concerned that the infringement of trademark rights via the Internet will

expand in the future.

3 Comparative Study Between Japan and Other Countries Concerning Rules for Trademarks on the Internet

The Japanese Trademark Act does not set any special rules for the protection of trademark rights on the Internet. However, Article 2 of the Trademark Act prescribes use as a trademark, from the perspective of clarifying that the use of a trademark in distributing goods, providing services or advertising on the Internet falls under “use of a trademark” under the Trademark Act. The same holds for the countries subject to the overseas survey. There are no countries that set special rules for the protection of trademarks on the Internet, and the rules of the current trademark law are to be extended to the protection of trademarks on the Internet.

However, in other countries, there are many court precedents concerning peculiar modes of use that occur on the Internet, such as use for metatags, keyword buying, linking, flaming and popup advertising, although countries are divided in terms of decisions regarding the protection of trademarks with respect to each mode of use.

Regarding metatags, there are court precedents in the United States and European countries in which the court found infringement of a trademark right or the possibility of infringement of a trademark right. In particular, many such court precedents exist in the United States. The Brookfield case by the United States Court of Appeals for the Ninth Circuit is cited as a representative court precedent affirming infringement of the relevant trademark right. In relation to infringement of a trademark right, metatags become a problem mostly in the sense that they are not visible to users, as they are not indicated on websites in ordinary use.

Under the Japanese Trademark Act, invisibility does not necessarily mean exemption from liability for infringement of a trademark right. The Kuruma no110 ban

case is cited as a court case in which the constitution of infringement of a trademark right was straightforwardly disputed with regard to the use of a trademark similar to another person's trademark as a metatag. In this case, the use of the trademark as a metatag was found to constitute infringement of the trademark right, in consideration of the point that the advertisement was displayed to consumers.

Use for keyword buying is divided into cases in which the purchaser of a keyword uses the keyword for a metatag or banner advertising, etc., as mentioned above, and cases in which the operator of a search engine sells a specific keyword. For the latter, a problem will not arise as long as the keyword sold is a common noun. However, a problem will arise if an operator sells a keyword identical to a famous trademark to a person who has no relationship with the holder of the famous trademark and the user of the keyword commits an act infringing the relevant trademark right. In this regard, there are no court precedents finding infringement of a trademark right by a seller of a keyword.

In the case of banner advertising and popup advertising, there is the problem of use of a keyword as advertising – that is, the act of unjustly attracting users (bait-and-switch advertising) – in addition to the aforementioned problems incidental to keyword buying. In addition, linking and flaming are often conducted as a free ride on another person's content; therefore, in some cases they may cause problems, such as false recognition or confusion over the source and dilution of a trademark. Court precedents finding infringement of a trademark right with regard to these modes of use exist only in the United States.

In the United States and European countries, court precedents have been accumulated that actively find dilution due to the use of a famous trademark by a person other than the right holder with respect to the use of trademarks on the Internet. In particular, in the United States, the provisions of Section 43(c) of the U.S.

trademark law concerning prevention of dilution are actively applied to the use of trademarks on the Internet. In most cases, dilution in relation to infringement of a trademark right is found based on “blurring.” However, with regard to the protection of trademarks on the Internet, there is a court precedent in which dilution due to “tarnishment” was found. In addition to the active application of provisions concerning dilution, of special note regarding the court precedents in the United States is the active utilization of the “initial interest confusion” doctrine. Under this doctrine, confusion is recognized in the sense that consumer interest is created when they see a website, even if there is no confusion over the source of the relevant goods at the time of purchase. Opinion is divided about this interpretation in U.S. courts and theories.

European countries also apply their own provisions protecting famous trademarks – set pursuant to the provisions of Article 5(2) of the EC Directive – to the dilution of trademarks on the Internet, in the same manner as to general modes of transaction. The number of court precedents finding dilution of a trademark is also increasing. The “initial interest confusion” doctrine developing in the United States has not been established as a doctrine in European countries. However, there are court precedents in which the court ruled against judging the existence of confusion among consumers only at the time of purchasing goods in terms of determining trademark infringement on the Internet. Thus, an interpretation similar to the initial interest confusion doctrine exists in European countries.

Industrial property rights, including trademark rights, are based on the principle of territoriality. However, in the world of the Internet, where information is distributed irrespective of national borders, multiple countries are involved in a certain trademark right, and the problem of conflict with trademark rights arises. The WIPO recommendation in 2001 attracted attention as a recommendation giving guidelines for

solving the problem of conflict with trademarks on the Internet.

In the United States, it does not matter whether the source of information exists in or outside the United States, and if it is determined that Internet users have access to the relevant information from within the United States, the case is dealt with as a problem within the United States. Whether U.S. trademark law is applicable is determined based on whether the relevant act falls under “use” of a trademark under said law. In addition, the Brussels Regulation, which provides for jurisdiction within the EC, clearly stipulates the principle that jurisdiction is granted to the place where damages occurred, and European countries conform to this principle. Therefore, it is standard to determine a trademark infringement on the Internet based on the occurrence of damages in each country, irrespective of the geographical source of information.

That is, although neither the United States nor European countries have taken fresh legislative action in response to the WIPO recommendation, there are court precedents in each country showing interpretations that conform with the content of said recommendation. Thus, trademark infringement is now determined from the substantive perspective, including the existence of damages due to the relevant transmission of information, irrespective of the location of the server that is the source of information.

As mentioned above, with regard to the protection of trademarks on the Internet, more cases have been accumulated and discussion has proceeded further in the United States and European countries than in Japan. It is also expected that the number of cases in which trademark infringement on the Internet becomes an issue will further increase in Japan, too. Therefore, it is considered necessary to continue to comprehend and examine the actual situation in the future.

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