

10 The Protection of Unregistered Technologies and Brands (*)

<1> Japanese companies are expected to actively export infrastructures such as stable electricity grids and high speed railway networks. To ensure their competitiveness in such exports, it has become increasingly important for them to keep their own technologies confidential and prevent local companies from copying them, and to protect and enhance the unique technologies which are based on Japanese identities and cannot be copied by local companies. Against this background, studies were made on major countries with respect to systems for keeping unregistered technologies a trade secret.

<2> The provisions of the Paris Convention refuse the registration and prohibit the use, as trademarks, of official signs and hallmarks, etc. indicating control and warranty which are adopted by the countries of the Union and have been notified to the World Intellectual Property Organization (WIPO). However, there are issues regarding this notification, such that information on domestic needs, operations in foreign countries, and provisions of protection of foreign countries remain disorganized. Accordingly, research, organization and analysis were made on the actual conditions of the domestic needs and the system of protection in foreign countries for official signs and hallmarks, etc.

I Introduction

1 Background and Purpose of This Study

Technologies and brands unique to Japan can be protected in various ways, such as by acquiring patent rights and trademark rights, by keeping them confidential as trade secrets, or by using geographical indications. Accordingly, it is essential to achieve an appropriate balance in using the system of protecting the technologies or brands by registering them as intellectual properties (hereinafter referred to as the “system of protection by registration”¹⁾) and the system of protecting the technologies or brands without registering them (hereinafter referred to as the “system of protection without registration”²⁾).

For example, in relation to the protection of unregistered technology, due to the high mobility of personnel, the leakage of trade secrets has become a huge problem for Japanese companies in terms of protection. As a result, Japanese companies are under pressure to take adequate measures to protect their trade secrets in foreign countries. However, as the information on the system of protection of trade secrets in foreign countries and the actual conditions of use thereof is limited, the organization of such information is required to take effective measures.

With respect to the protection of brands, the provisions of the Paris Convention³ refuse the trademark registration of official signs and hallmarks, etc. indicating control and warranty, which are adopted by the countries of the Union

(hereinafter collectively referred to as “official hallmarks, etc.”) and have been notified to WIPO⁴ (hereinafter referred to as “notification to WIPO”), and prohibit their use as trademarks. At the same time, hallmarks for official technology authentication and quality assurance may be protected by ways of making notification to WIPO or obtaining a trademark registration in each country. However, questions including the following are yet to be answered: What type of official hallmarks, etc. shall be subject to the notification to WIPO in Japan? What criteria are used for the notification or transmission of objections to WIPO in the countries of the Union other than Japan? What protection is available in the countries of the Union other than Japan in cases where a notification to WIPO has been made? Although Japan is treating such marks by applying the Trademark Act and Unfair Competition Prevention Act,⁵ how are such marks treated in the countries of the Union other than Japan?

Given this situation, research, organization and analysis regarding trade secrets, shall be carried out on the provisions for the protection of trade secrets and the utilization thereof in major countries, i.e. the United States, Germany and China. Moreover, for the matters concerning the notification to WIPO, the relationship between the system of protection by registration and system of protection without registration in Japan and in foreign countries, the actual conditions of and trends in the use of such systems as well as the appropriate balance in using the two systems in Japan shall be researched, organized and

(*) This is an English translation of the summary of the FY2011 JPO-commissioned research study report on the issues related to the industrial property rights system.

analyzed.

The purpose of this research study is to produce basic data to find the favorable protection of unregistered technologies and brands in Japan, and to support the establishment of rules which are appropriate in practice, based on the results of the abovementioned research etc., in order to enable Japanese companies to protect and enhance their unique technologies and brands by properly utilizing the system of protection by registration and system of protection without registration in countries around the world.

2 Method of Implementation of this Research Study

In this research study, the report on the section, “II. Protection of Trade Secrets,” was prepared by the local agents so requested. The United States, Germany and China are the countries studied.

At the same time, interview surveys in Japan, overseas research by questionnaires, and overseas interview surveys were conducted with respect to the section, “III. The Notification to WIPO under Article 6ter of the Paris Convention,” and analyses were made based on the results thereof.

In addition, the Intellectual Property Offices of each country were targeted by the overseas research, questionnaire, and interview surveys.

II Study on the Protection of Trade Secrets

1 Introduction

To ensure the protection of the Japanese companies’ unregistered technologies in foreign countries, research was made on the legislation for the protection of trade secrets under the Laws of the U.S. (federal law and state laws [New York State Law and New Jersey State Law]), Germany and China.

In particular, this research was made with the purpose of investigating and analyzing the reasons for the enactment of criminal provisions for the protection of trade secrets, the actual conditions of application of such criminal provisions, as well as the current evaluation and issues regarding such criminal provisions in each country.

2 Direction of the Study

To ensure the protection of unregistered technologies of Japanese companies in foreign countries, studies were made on (i) U.S. Laws (federal law and state laws [New York State Law and New Jersey State Law]), (ii) German Laws, and (iii) Chinese Laws. In particular, the reasons for the establishment of criminal provisions for the protection of trade secrets, the actual conditions of application of such criminal provisions, as well as the current evaluation and issues regarding such criminal provisions in each country were studied.⁶

3 Situation in Foreign Countries

(1) U.S. – Outline –

In the United States, theft of a trade secret is a crime under federal law, and in some states, under state law as well. The primary federal law dealing with trade secret theft is the Economic Espionage Act of 1996 (EEA).⁷ EEA grants the federal prosecutor broad power to prosecute any person or company involved in trade secret misappropriation.

At the state level, approximately 24 states have enacted laws specifically making trade secret misappropriation a crime. Some states have achieved this by expanding the existing criminal statutes’ definition of “property” to include trade secrets. Other states have enacted statutes specifically criminalizing trade secret misappropriation. In the U.S. law section of this report, the EEA and state-enacted criminal legislations dealing with the misappropriation of trade secrets are analyzed, focusing on New York and New Jersey state laws.

(i) New York – Provisions of Protection of Trade Secrets -

New York is one of the few states that have not enacted a trade secret statute modeled after the Uniform Trade Secrets Act (UTSA), which has been a major practice in the U.S. with regard to civil relief concerning trade secrets. New York instead relies on common law principles derived from the first Restatement of Torts published 60 years ago to determine civil liability for misappropriation of a trade secret.

Criminal liability is dealt with under the New York Penal Law (NYPL), which protects trade secrets through the larceny statute (NYPL Article 155) and the statute prohibiting the unlawful use of secret scientific material (§ 165.07). Another statute of possible relevance, NYPL Article 156, contains provisions forbidding unlawful

duplication and possession of “computer related material.”

(ii) New Jersey –Provisions of the Protection of Trade Secrets–

New Jersey has specifically provided the protection of trade secrets in its criminal legislation. Since there was some debate about whether trade secrets were covered under the larceny statute, New Jersey felt the need to add specific protection. In 1956, it therefore expanded the definition of “property” in N.J.S Cum. Supp. § 2A:119-5.2 to include trade secrets.⁸

New Jersey was one of the first states to define trade secrets as property, and, although the statute has subsequently been rewritten and appears in its present form under N.J. Rev. Stat. § 2C:20-1, the original New Jersey law has still served as a model that other states have used in formulating similar laws.⁹

(2) Germany

(i) The provisions of UWG

The German Code against unlawful competition, UWG, covers the breach of secrecy by someone who is employed by the owner (*Geheimnisverrat*, § 17 I UWG), particularly dangerous cases of espionage (*Betriebsespionage*, § 17 II No. 1 UWG), and the unauthorized use or disclosure of trade secrets acquired or seized by improper means (*Geheimnishehlerei*, § 17 II No. 2 UWG). Attempting any of the infringements mentioned under § 17 I and II of UWG is also penalized (§ 17 III UWG).¹⁰

(ii) The provisions of the Criminal Code

In addition to the protections for trade secrets in UWG, there are provisions in the Criminal Code StGB that address specific and limited aspects of the protection of trade secrets.¹¹ The details of some of the provisions are as follows:

*The provisions of Article 202 of StGB protect the secrecy of letters and illustrations. Both the terms, “letter” and “illustration” are interpreted broadly: the term “letter” covers letters, diaries, notes, calculations, projections, and plans; and the term “illustration” extends to photographs, slides, and films. In order to have their secrecy admitted, both letters and illustrations have to be “closed” or secured in a closed container, such as an envelope, drawer or cupboard.

*Article 203 of StGB mainly protects the interests of society and reliance upon the

professional secrecy of certain professions. It also protects the “right of informational self-determination,” which emanates from Article 2, paragraph (1) and Article 1, paragraph (1) of the German Constitution. Article 203 is extended and completed by Article 204, which covers the exploitation of other persons’ secrets.

*Article 205 of StGB provides to the effect that any criminal offense under Articles 202 through 204 of StGB will only be prosecuted upon application.

(3) China

(i) Criminal Law of the People’s Republic of China (President Order No. 83) (as amended by the National People’s Congress, which came into force on October 1, 1997; hereinafter referred to as the “Criminal Law”)

Article 219 of the Criminal Law goes on to expressly prohibit the infringement of trade secrets by any of the following means:

*obtaining trade secrets of the right holder by theft, inducement, duress or other illegal means

*disclosing, using, or allowing others to use trade secrets of the right holder obtained by illegal means

*disclosing, using, or allowing others to use trade secrets in breach of an agreement with or confidentiality requirements imposed by the right holder

Liability under the Criminal Law extends to third party recipients of trade secrets. Such third parties are deemed to be infringers if they obtain, use or disclose trade secrets which they knew or should have known had been infringed by any of the means described above.

If the trade secret infringement results in material loss to the right holder, the infringing party could be subject to criminal sanctions, including fines and up to seven years’ imprisonment, depending on the seriousness of the offense.

(ii) “Interpretation of the Supreme People’s Court and the Supreme Procuratorate

Concerning Some Issues on the Specific Application of Law for Handling Criminal Cases of Infringement upon Intellectual Property Rights” (Fa Shi [2004] No.19) (which came into force on December 22, 2004; hereinafter referred to as the “2004 Interpretation”)

Article 7 of the 2004 Interpretation sets out guidelines for determining the seriousness of an offense under Article 419 of the Criminal Law. The guidelines provide that if, as a result of the trade secrets infringement, the right holder suffers monetary losses of between RMB500,000 (approximately USD78,000) and RMB2,500,000 (approximately USD390,000), the infringing party shall be considered to have caused material loss to the right holder and thus shall be subject to up to three years imprisonment with the potential for additional fines subject to the discretion of the court.

Moreover, if the relevant losses equal or exceed RMB2,500,000 (approximately USD390,000), the infringing party shall be considered to have caused significant loss to the right holder and thus shall be subject to three to seven years imprisonment and monetary fines.

(iii) Anti-unfair Competition Law promulgated by the National People’s Congress (President Order No. 10) (which came into force on December 1, 1993)

The Anti-unfair Competition Law is overseen and enforced by the State Administration of Industry & Commerce (SAIC) and its competent local branches. Article 25 of that Law gives SAIC and its competent local branches the power to impose various sanctions upon infringers of trade secrets at its administrative discretion in light of the seriousness of the offense. SAIC’s power is as follows: (i) demand that the infringer cease the infringement, and (ii) impose administrative fines ranging from RMB10,000 (approximately USD1,500) to RMB200,000 (approximately USD3,000). Note that the Anti-unfair Competition Law does not provide for imprisonment or other forms of criminal punishment.

III Study on the Notification to WIPO under Article 6ter of the Paris Convention

1 Introduction

Regarding the notification to WIPO, studies were made on the types of official signs, such as the official signs and hallmarks indicating control and warranty adopted by the countries of the Union, which shall be subject to the notification to WIPO in Japan, the national criteria for conducting notification or transmission of objections to WIPO adopted by the countries of the Union of the Paris Convention other than Japan, the protection available in the countries complying with the Paris Convention excluding Japan in cases where a notification to WIPO has been made, and the treatments of such marks in the countries complying with the Paris Convention other than Japan, although Japan is treating such marks by applying the Trademark Act and Unfair Competition Prevention Act.¹²

2 Direction of the Study

(1) Actual conditions and needs in Japan

In Japan, research and analyses were made on the actual conditions and needs from the following standpoints.

*Actual treatments of official signs and hallmarks, etc. indicating control and warranty adopted by the countries of the Union, in Japan

*Needs in Japan regarding the protection of official signs and hallmarks, etc. indicating control and warranty adopted by the countries of the Union, based on the notification to WIPO

(2) Research on the actual operations and systems of the notification to WIPO in foreign countries

Research and analyses were made on the foreign countries’ past performance of notifications or transmission of objections to WIPO under Article 6ter of the Paris Convention, national criteria, and provisions of protection for the armorial bearings (hereinafter referred to as “armorial bearings, etc.”), flags and other State emblems (hereinafter collectively referred to as “State emblems, etc.”) of the countries of the Union, official signs and hallmarks indicating control and warranty adopted by the countries of the Union (hereinafter collectively referred to as “official signs, etc.”) and armorial bearings, flags, other emblems, abbreviations, and names of international intergovernmental organizations (hereinafter collectively referred to as

“international organization’s marks, etc.”) (these shall all hereinafter be collectively referred to as “emblems, armorial bearings, official signs, international organization’s marks, etc.”) which have been notified from other countries, pursuant to the provisions of Article 6ter of the Paris Convention (the provisions of protection refer to the provisions concerning the prohibition of use, and grounds for unregistrability or grounds for cancellation under the Trademark Act). The main items surveyed are as follows:

- (i) Past performance of notification and transmission of objections to WIPO
- (ii) National criteria used for conducting notification to WIPO for the State’s own emblems, armorial bearings, or official signs, etc. or transmitting objections regarding emblems, armorial bearings, or official signs notified from other countries or marks, etc. notified from international organizations
- (iii) Method of public notification of the emblems, armorial bearings, official signs, or international organization’s marks, etc., which shall be protected in the relevant country based on a notice received from WIPO
- (iv) Responses made in cases where objections have been transmitted from other countries in regard to the relevant State’s own emblems, armorial bearings or official signs, etc. for which it made a notification to WIPO
- (v) Actual conditions of utilization pertaining to notification and objection to WIPO
- (vi) Measures taken in cases where an application for “use as a trademark” or “trademark application” has been filed with the relevant country for emblems, armorial bearings, official signs, or international organization’s marks, etc. which had been protected based on the notification from WIPO.
- (vii) Availability of trademark registration in cases where a trademark application has been filed for marks identical to emblems, armorial bearings, official signs, or international organization’s marks, etc. for which a notification to WIPO has previously been made

(viii) Existence of the requirement for a mark to “suggest to the public or mislead the public” in deciding to prohibit the use or refuse the registration as a trademark of international organization’s marks, etc. which are protected based on the notification to WIPO

(ix) Treatments of a registered trademark in cases where an official sign, etc. identical to such registered trademark has been notified to WIPO for protection.

3 Research on the actual conditions surrounding the official signs, etc. in Japan and the analysis thereof

In this research study, interviews were conducted with official bodies and academics, and thereby the actual conditions and needs in Japan were researched.

(1) Implementation of interview surveys

During the period from December 2011 to February 2012, interview surveys were conducted on 10 official bodies (certification bodies) and 5 academics.

(2) Actual treatments of official signs, etc. in Japan

Past cases where business operators using official signs, etc. made any inappropriate use thereof (i.e. cases where an official sign, etc. was affixed to products other than those approved for affixation under laws, or cases where both the official signs, etc. and serial number were required to be affixed to the product in combination under the provisions of laws, but the combination of the serial number was incorrect) were addressed by recommendation of corrective actions if any authority to give administrative guidance was available. Moreover, although some cases involved the unauthorized use of such signs (i.e. cases where a hallmark, etc. was affixed to a product without obtaining a certification of a third-party body despite the law requiring such certification), they were settled through discussions, and so far, no case has reached the stage of litigation for infringement of trademark rights, even if the relevant official sign, etc. was registered as a trademark.

As the reason for registering an official sign, etc. as a trademark in a foreign country, some respondents answered that they obtained the trademark registration in order to appropriately

respond to any problems which may arise in the relevant foreign country which is the country of manufacture of the products (e.g. especially Asian countries, including China) or the country of sales of the products,.

(3) Needs in Japan regarding the protection of official signs, etc. based on the notification to WIPO

The following shows some of the positive opinions on protecting official signs, etc. based on the notification to WIPO:

*Using the notification to WIPO to protect official signs, etc. is attractive in that it requires lower costs in comparison to the heavy burden to be borne in relation to a trademark application, which is intended to be filed with a number of countries or for a number of classes of goods (i.e. application fees, renewal fees and procedural burdens).

*Notification to WIPO will be one of the options for protecting marks, if a protection equal to trademark protection (i.e. demand for injunction or claim for damages, etc.) is secured through such notification.

*Because the marks to be protected by the Trademark Act shall be protected as a property right, i.e. trademark right, if the main purpose of protecting the official sign, etc. is other than the protection of the property right thereof (e.g. protection of public security), the protection to be provided by the Trademark Act shall be inappropriate and the protection to be obtained through the notification to WIPO would be more suitable. An example for this would be the JIS mark, which guarantees the quality of products.

In contrast to the above, some of the negative opinions on protecting official signs, etc. through the notification to WIPO are as follows:

*There seems to be no necessity for protection in foreign countries of official signs, etc. which shall be affixed to products which are sold only in domestic markets and are not expected to be sold in foreign markets.

*The system of protecting official signs, etc. based on the notification to WIPO is not suitable for marks of institutions whose operations are dependent upon the license fees they receive in relation to the trademarks they own, as it is

possible that license fees may not be paid if the protection for such signs were to be realized based on the notification to WIPO instead of the protection under the Trademark Act.

IV Conclusion and Consideration

In this research survey, with the purpose of achieving the protection of unique technologies and specific brands of Japan in other countries, research was made on the protection of trade secrets for technologies and on the notification to WIPO for brands.

Regarding the protection of trade secrets, research was made on the cases where criminal penalties regarding trade secrets were applied and the trends thereof in major countries such as the United States, Germany and China.

In the United States, theft of a trade secret is subject to criminal penalties under the federal law (Articles 1831 and 1832 of the Economic Espionage Act), and in some states, under the state law as well (24 states). However, in reality, the state law has been applied to few cases and mainly the federal law is applied. Recently, with the increasing necessity of protecting trade secrets, in 2011, a bill entitled the "Economic Espionage Penalty Enhancement Act" was introduced to allow higher sentences under the EEA, and is currently pending consideration by the full Senate. If enacted, the maximum penalty per count under Article 1831 of EEA shall be increased from 15 to 20 years.

In Germany, theft of a trade secret is subject to criminal penalties under UWG. The acts which shall be subject to criminal penalties are breach of obligation of confidentiality, improper acquisition, and unauthorized use of trade secrets, as well as attempts at these infringements. No special information could be obtained with regard to any changes in the cases where the provisions of laws and criminal penalties were applied compared to the previous research conducted in 2002.

In China, theft of a secret trade is subject to criminal penalties pursuant to the Criminal Law. Pursuant to the provisions of Article 219 of the Criminal Law, in cases where the right holder incurs a material loss, the infringing party shall be sentenced to not more than three years of fixed term imprisonment or criminal detention, or may be sentenced to a fine, subject to the discretion of the court. If a significant loss has been caused, the infringing party shall be sentenced to not less than three years and not more than seven years of fixed term

imprisonment and monetary fines. The seriousness of an offense is to be determined based on the guideline, "Interpretation of the Supreme People's Court and the Supreme People's Procuratorate Concerning Some Issues on the Specific Application of Law for Handling Criminal Cases of Infringement upon Intellectual Property Rights (Fa Shi [2004] No. 19)." The guideline provides that the infringing party shall be considered to have caused a material loss if, as a result of trade secrets infringement, the right holder suffers monetary losses of between RMB500,000 (approximately USD78,000) and RMB2,500,000 (approximately USD390,000). If the monetary losses suffered by the right holder amount to RMB2,500,000 or more, the infringing party shall be deemed to have caused a significant loss.

As stated above, the application of criminal penalties for the protection of trade secrets varies among countries; no universal conclusion could be obtained. However, it should be noted that the United States and Germany take a cautious approach in applying criminal penalties. In the United States, although the language and potential scope of the EEA is quite broad, criminal penalties are applied in a cautious manner taking into account the intent of Congress at the time of the enactment. In Germany, an overarching principle has been established with the purpose of allowing the employees to freely use knowledge and skills legitimately acquired after their term of employment, thereby restricting the application of criminal penalties. In particular, close attention should be paid to the future movements in the United States, as the "Economic Espionage Penalty Enhancement Act" has been submitted to the Senate and prosecutions are allowed to be initiated without obtaining pre-approval from the United States Attorney's Office.

Regarding the protection of brands through the notification to WIPO, research was made mainly on the issues as to which of the national and official signs, etc. shall be subject to the notification under Article 6ter of the Paris Convention, the national criteria adopted by the countries of the Union to the Paris Convention other than Japan for conducting notification and transmission of objections to WIPO, and the protection available in the countries of the Union to the Paris Convention other than Japan in cases where notification has been made.

In almost every country surveyed that had conducted a notification to WIPO or a

transmission of objections in the past, there were no specific provisions concerning the criteria for conducting the notification to WIPO. Among the countries surveyed, only Korea had an established guideline for the operation of criteria to conduct notification to WIPO. Based on the "Establishment of the Operational Guidelines Concerning the Protection of Public Marks of the Countries of the Union to the Paris Convention Pursuant to Article 6ter of the Paris Convention," which came into force in April 1, 2009, Korea is recently making a number of notifications to WIPO for official signs, etc. However, the United States has been transmitting objections to these notifications by stating that "the relevant marks do not fall under the category of official signs, etc." In short, there is a discrepancy between the arguments of the two countries, and therefore, it can be presumed that the interpretation of the provisions of Article 6ter of the Paris Convention vary among countries. On the other hand, although the countries surveyed, excluding Korea, had no specific provisions regarding the notification, the results obtained from the surveys and hearings made in regard to the question of attributions of the "official signs, etc.," showed a trend that such countries conducted the notification to WIPO only for official signs, etc. whose indications were provided in laws.

As a conclusive result in cases where an objection was transmitted from other countries with regard to a notification to WIPO, there were various cases, including a case where the objection from the objecting country was withdrawn after counterarguments were made to such objections and, a case where there were no reactions to the counterargument made to the objection and therefore the notifying country gave up the idea of protecting the relevant official sign, etc. in the objecting country. At the same time, it became apparent that, while the first objection should be made within 12 months from the receipt of the notification under the Convention, the period for further negotiation is not limited and that opinions are exchanged directly without the involvement of WIPO.

Moreover, although all of the countries surveyed had a provision concerning the refusal of trademark registration, as a measure to be taken in cases where an application for the use as a trademark or a trademark application has been filed for an official sign, etc. for which a notification to WIPO had previously been made and which had already been protected under the provision of Article 6ter of the Paris Convention

in the relevant country, some of the countries had no specific provisions regarding the prohibition of use of such official signs, etc. as trademarks.

Furthermore, many of the countries answered that they approved the trademark registration if a trademark application was filed in the abovementioned situation but the applicant was the government of the country which made the notification or was otherwise found to be the legitimate right holder or user of the relevant mark. Nevertheless, in some countries, such trademark registration is refused even if the application was filed by the legitimate right holder, thereby closing the door for marks similar to the relevant official sign, etc. to be registered as a trademark in such country once a notification to WIPO has been made. Accordingly, particular attention should be paid in conducting the notification in such countries.

Research was also made on the subsequent grounds for the invalidation of registered trademarks in cases where a notification to WIPO has been made for an official sign, etc. identical to a registered trademark. While many of the countries answered that a mere notification to WIPO does not invalidate a trademark registration, some countries answered that invalidation of the trademark registration was possible, or provided no precise answer in this research. Accordingly, in conducting a notification to WIPO, deliberate consideration should be made as to whether there is any risk that the effect of protection which had previously been enjoyed under the trademark registration shall be lost by such notification.

As described above, the criteria for notification and forms of protection differ in the systems of the countries surveyed in regard to the notification to WIPO and, each country ensures compatibility between the protection under Article 6ter of the Paris Convention and the acquisition of a trademark right in a different manner. It is therefore necessary to conduct sufficient research on the subject country and deliberate consideration in making a notification.

In addition to the abovementioned research and studies, interview surveys were made with regard to the actual treatments of the official signs, etc. which may be subject to the notification to WIPO and the needs thereof. Among the various opinions provided in regard to official signs, etc. which could be subject to the notification to WIPO, an association which is the proprietor of an official sign, etc. and had already obtained a trademark right in a foreign country

voiced its opinion that it would prefer to refrain from making the notification in any countries where the effect of protection under the trademark right may be impaired. On the other hand, some of the opinions pointed out that official signs, etc. which do not satisfy the requirements for eligibility for trademark registration are likely to become subject to the notification. In the present situation, where the state of protection in each country is different as mentioned above, deliberate consideration should be made, in advancing the consideration on the protection of unique brands of Japan, by sufficiently taking into consideration the relevance with the protection available by the acquisition of a trademark right when making a notification to WIPO.

As illustrated above, this research study advanced its discussion with the purpose of enhancing the protection of unique technologies and specific brands of Japan in terms of trade secret protection and notification to WIPO. Moreover, this research study has been carried out with the expectation to contribute to the study on the future protection of unregistered technologies and brands in Japan as well as the establishment of rules appropriate in practice.

(Researcher: Masahiro SHIMIZU)

¹ A system seeking the protection of technologies and brands by making a registration an industrial property right, whereby technologies may be protected under the Patent Act by registering them as patents, and whereby brands may be protected under the Trademark Act by registering them as trademarks

² A system seeking the protection of technologies and brands without registering them as intellectual property rights, whereby technologies may be protected under the Unfair Competition Prevention Act by keeping them confidential as trade secrets, and whereby brands may be protected under the Trademark Act and Unfair Competition Prevention Act by making the notification to WIPO as explained below.

³ Article 6ter of the Paris Convention for the Protection of Industrial Property provides for the protection of armorial bearings, flags, and other State emblems of the countries of the Union, official signs and hallmarks indicating control or warranty adopted by them, as well as armorial bearings, flags, other emblems, abbreviations, and names of international organizations.

⁴ WIPO is the abbreviation of the World Intellectual Property Organization.

⁵ The provision of Article 4, paragraph (1), item (v) of the Trademark Act refuses the trademark registration of an official hallmark or sign indicating control or warranty of a country of the Union, and the provisions of Article 16, paragraph (3) of the Unfair Competition

Prevention Act prohibit the commercial use of seals or signs of a foreign state or local government used for supervision or certification purposes. Specific details of the armorial bearings which are unregistrable as trademarks are contained in the public notice issued by the Minister of the Economy, Trade and Industry, and those of the flags of which the commercial use is prohibited are stated in the “Ordinance Specifying the Flag, Crest or Other Emblem of a Foreign State, Seal or Sign of a Foreign State or Local Government Used for Supervision or Certification Purposes, as well as International Organizations and Marks Representing International Organizations as Provided for in the Provisions of Article 16, paragraphs (1) and (3) and Article 17 of the Unfair Competition Prevention Act.”

⁶ The Japanese translation of the results of the research shall be stated in Chapter II. In addition, the original text of the report in English shall be stated in Chapter I of the materials of the report.

⁷ 18 U.S.C., Sections 1831 to 1839

⁸ *ibid.*

⁹ The original New Jersey provision contained a separate provision for stealing or embezzling articles representing trade secrets. The current legislation, however, does not contain a separate provision for trade secrets, but it incorporates trade secrets within the concept of property.

¹⁰ An English translation of UWG is available at http://www.gesetze-im-internet.de/englisch_uwg/index.htm

¹¹ An English translation of StBG is available at http://www.gesetze-im-internet.de/englisch_stgb/german_criminal_code.pdf.

¹² The provision of Article 4, paragraph (1), item (v) of the Trademark Act refuses the trademark registration of an official hallmark or sign indicating control or warranty of a country of the Union, and the provisions of Article 16, paragraph (3) of the Unfair Competition Prevention Act prohibit the commercial use of seals or signs of a foreign state or local government used for supervision or certification purposes. Specific details of the armorial bearings which are unregistrable as trademarks are contained in the public notice issued by the Minister of the Economy, Trade and Industry, and those of the flags of which the commercial use is prohibited are stated in the “Ordinance Specifying the Flag, Crest or Other Emblem of a Foreign State, Seal or Sign of a Foreign State or Local Government Used for Supervision or Certification Purposes, as well as International Organizations and Marks Representing International Organizations as Provided for in the Provisions of Article 16, paragraphs (1) and (3) and Article 17 of the Unfair Competition Prevention Act.”