Study on Unitary Intellectual Property Rights in the EU: From a Viewpoint of Private International Law (*)

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EU trade marks and Community designs have unitary character and equal effect throughout the EU, and European patents with unitary effect (in preparation) also have unitary character and equal effect in a number of EU Member States (hereafter referred to as "European unitary intellectual property (IP) rights"). Moreover, EU trade mark courts, Community design courts, and Unified Patent Courts (in preparation) (will) exist for the settlement of disputes relating to each type of right: they have exclusive jurisdiction over some types of actions on each type of right. Such rights and courts are available to Japanese companies as well as individuals. Accordingly, it is assumed that: legal problems related to the rights could occur in Japan; and also that judgments given by these courts could be sought to be recognized and enforced in Japan. Both cases are, first and foremost, subject to Japanese private international law (PIL). However, it is not certain whether the well-established Japanese PIL and its interpretation would be appropriately applied to European unitary IP rights/courts issues, as there are differences between the European unitary IP rights/courts and national IP rights/courts: Japanese PIL in a field of IP rights have been generally discussed from the viewpoint of national IP rights/courts. Therefore, this report examines Japanese PIL in the field of IP rights from the viewpoint of European unitary IP rights/courts.

I. Introduction

Japanese private international law (PIL) in the field of intellectual property (IP) rights has been generally discussed from the viewpoint of national IP rights: these rights cover only the one country where the rights were granted. However, EU trade marks and Community designs have unitary character and equal effect throughout the EU, and European patents with unitary effect (unitary patent, in preparation), also have unitary character and equal effect in a number of EU Member States. Moreover, EU trade mark courts, Community design courts, and Unified Patent Courts (UPC, in preparation) (will) exist for the settlement of disputes relating to each type of right: they have exclusive jurisdiction over some types of actions on each type of right.

These rights and courts are available to Japanese companies and individuals. Accordingly, legal problems related to the EU trade marks, Community designs, and unitary patents (hereafter referred to as "European unitary IP rights") could occur in Japan. Also, judgments given by the EU trade mark courts, the Community design courts, or the UPC (hereafter referred to as "European unitary IP courts") could be sought to be recognized and enforced in Japan. Both cases are, first and

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foremost, subject to Japanese PIL. However, it is not certain whether the well-established Japanese PIL and its interpretation would be appropriately applied to European unitary IP rights/courts issues, as there are differences between the European unitary IP rights/courts and national IP rights/courts.

Although the EU trade marks and Community designs have existed and the former have about 20 years of history, it seems that courts in Japan have had no occasion to deal with disputes on these rights under Japanese PIL. However, it does not follow that it is unnecessary to examine the Japanese PIL from the viewpoint of European unitary IP rights/courts. Rather, the examination is needed, considering the establishment of the unitary patents and the UPC in the near future.

Accordingly, this report examines Japanese PIL in the field of IP rights from the viewpoint of European unitary IP rights/courts. The structure of the report is as follows: overviews of the European unitary IP rights, rules for international jurisdiction of European unitary IP courts, and laws applicable to the rights, as well as the abovementioned examination.

II. EU Trade Marks

This Chapter overviews basic information on the EU trade marks, rules for international jurisdiction of the EU trade mark courts, and laws applicable to the rights.

1. EU Trade Marks

An EU trade mark refers to a trade mark for goods or services which is registered in accordance with the conditions included in the EU Trade Mark Regulation (EUTMR[1]) and in the manner therein provided (Article 1 (1) of the Regulation). An application for an EU trade mark shall be filed at the European Union Intellectual Property Office (EUIPO[2]). An EU trade mark can be obtained by registration[3] after passing the examination of the application[4]. The EU trade mark has a unitary character and equal effect throughout the EU[5].

[1] Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Council Regulation (EC) No 207/2009 on the Community trade mark and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs), OJ L 341, 24.12.2015, p. 21.
[2] Article 25 (1) of the EUTMR.
[3] Article 6 of the EUTMR.
[4] See Articles 36 to 45 of the EUTMR.
[5] Article 1 (2) of the EUTMR.

2. EU Trademark Courts

This section deals with the EU trade mark courts and their jurisdiction rules.

Firstly, the EU Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance (EU trade mark courts), which shall perform the functions assigned to them by the EUTMR[6]. As to rules of procedure, the EU trade mark courts shall apply[7]: the rules of procedure established in the EUTMR; if the ETUMR has no rule to be applied to the issue, the rules of procedure established in the Brussels I bis Regulation[8]; or if both the EUTMR and the Brussels I bis Regulation have no rule to be applied to the issue, the rules of procedure governing the same type of action relating to a national trade mark in the Member State in which the court is located.

Secondly, regarding rules for jurisdiction of the EU trade mark courts, the courts shall have exclusive jurisdiction over actions listed in Article 96 of the EUTMR. Courts of the Member State in which a ground of jurisdiction exists have international jurisdiction over the action. The grounds of jurisdiction are as follows: under Article 97 of the EUTMR, (A) jurisdiction based on domiciles and others, (B) jurisdiction based on the place in which the act of infringement has been committed or threatened[9], (C) prorogation jurisdiction; and (D) jurisdiction based on that there are multiple defendants and the claims are closely connected, under Article 8 (1) of the Brussels I bis Regulation[10]. The court whose jurisdiction is based on the ground of jurisdiction of either (A), (C), or (D) shall have jurisdiction in respect of acts of infringement committed or threatened as well as certain acts committed within the territory of any of the Member States[11]. The court whose jurisdiction is based on the ground of jurisdiction (B) shall have jurisdiction only in respect of acts committed or threatened within the territory of the Member State that court is situated[12].

3. Laws Applicable to EU Trade Marks

A framework for the determination of laws applicable to the EU trade marks is as follows: the

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[6] Article 95 (1) of the EUTMR.

[7] See Articles 14 (3), 94 (1), and 101 (1) (3) of the EUTMR.

[8] Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast), OJ L 351, 20.12.2012, p. 1.

[9] See Case C-360/12, *Coty Germany GmbH v First Note Perfumes NV* [2014] ECLI:EU:C:2014:1318.

[10] Cf. Article 94 (2) of the EUTMR. See also, James J. Fawcett and Paul Torremans, *Intellectual Property and Private International Law* (Oxford University Press, 2nd ed., 2011), p. 412 and p. 414; Charles Gielen and Verena von Bomhard eds., *Concise European Trade Mark and Design Law* (Wolters Kluwer, 2011), pp. 248-249 [Gielen].

[11] Regarding (A) and (C), see Article 98 (1) of the EUTMR. Regarding (D), see the following: Gordian N. Hasselblatt ed., *Community Trade Mark Regulation (EC) No 207/2009: A Commentary* (C. H. Beck, Hart, and Nomos, 2015), p. 957 [Carsten Menebröcker].

[12] See Article 98 (2) of the EUTMR.

EU trade mark courts shall apply the substantive rules or conflict-of-law rules related to the issue provided by the EUTMR; if the Regulation does not have any rule to be applied to the issue, the court shall apply the applicable national law, which is determined in accordance with PIL of the Member State in which the court is situated[13].

In the case of EU trade mark infringement[14], the EUTMR has rules to be applied in order to determine whether the (threatened) infringement took place: namely, Articles 9 to 13 on effects of EU trade marks would be applied to this question. Moreover, Article 102 (1) (2) prescribes sanctions which the EU trade mark courts shall (or may) order based on the (threatened) infringement: accordingly, these provisions also would be applied[15]. Besides, all matters relating to EU trade mark infringement which are not covered by the EUTMR, shall be governed by the law of the country in which the act of infringement was committed under Article 8 (2) of the Rome II Regulation[16], to the extent of the application of the Regulation, in accordance with Article 101 (2) of the EUTMR.

Articles 17 to 24 of the EUTMR address matters on EU trade marks as objects of property. Unless these provisions provide otherwise, the matter shall be governed by the national law of the Member State, which is determined in accordance with Article 16 of the Regulation[17].

III. Community Designs

This Chapter overviews basic information on the Community designs, rules for international jurisdiction of the Community design courts, and laws applicable to the rights.

1. Community Designs

A design which complies with the conditions included in the Community Design Regulation (CDR)[18] is referred to as a Community design[19]. In order to acquire a registered Community design, an application for the design shall be filed at either the EUIPO or another specified office[20].

[13] Articles 101 (1) (2) of the EUTMR.
[14] See Article 14 (1) of the EUTMR.
[15] "[T]he applicable law" within the Article 102 (2) seems to be determined, returning to Article 101 (2).
[16] Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II), OJ L 199, 31.7.2007, p. 40.
[17] As the EUTMR has no rules for contractual matters, in the EU, the contractual matters shall be governed by national law, which are determined under the Rome I Regulation (Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6).
[18] Council Regulation No 1891/2006 of 18 December 2006 amending Regulations (EC) No 6/2002 and (EC) No 40/94 to give effect to the accession of the European Community to the Geneva Act of the Hague Agreement concerning the international registration of industrial designs, OJ L 386, 29.12.2006, p. 14.
[19] Article 1 (1) (2) of the CDR
[20] Article 35 (1) of the CDR.

The EUIPO shall examine the application[21], register the application in the Community design Register as a registered Community design[22], and then publish the design in the Community Design Bulletin[23]. A design which meets the requirements under the CDR shall be also protected by an unregistered Community design if the design was first made available to the public within the EU[24]. The (registered and unregistered) Community design has a unitary character and equal effect throughout the EU[25].

2. Community Design Courts

The EU Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance (Community design courts) which shall perform the functions assigned to them by the CDR[26]. Rules of procedure of the courts[27] as well as jurisdiction rules[28] are very similar to the corresponding rules of the EU trade mark courts. Please refer to the previous Chapter (II.2) for the details.

3. Laws Applicable to Community Designs

A framework for the determination of laws applicable to matters relating to Community designs[29] also nearly corresponds to the framework for the EU trade marks. Please see II.3 for the details.

In the case of Community design infringement, whether the (threatened) infringement took place will be judged referring to Article 10 on scope of protection and Articles 19 *et seq* on effects of the rights[30]. Moreover, Article 89 (1) also shall be applied to sanctions which the Community design courts shall order on the basis of the (threatened) infringement. It is noted that Article 89 (1) (d) is applied to claims for destruction of the infringing products, but not to claims for compensation for the damage and for disclosure. This is because the former claims fall under the meaning of "other sanctions" of the provision[31], but the latter two claims do not[32]. All matters

[21] Article 45 of the CDR. See also, Article 47 (1) of the Regulation.
[22] Article 48 of the CDR.
[23] Article 49 of the CDR. See also, Article 50 of the Regulation.
[24] Article 11 of the CDR.
[25] Article 1 (3) of the CDR.
[26] Article 80 (1) of the CDR.
[27] See Articles 79 (1) and 88 (1) (3) of the CDR.
[28] See Articles 79 (1) (3) and 81 to 83 of the CDR.
[29] See Articles 88 (1) (2) of the CDR.
[30] See Gordian N. Hasselblatt ed., *Community Design Regulation (EC) No 6/2002: A Commentary* (C. H. BECK, Hart, and Nomos, 2015), p. 514 and p. 516 [Alexander Späth]; Fawcett and Torremans, *supra* note 10, p. 816.
[31] It seems that "the law of the Member State in which the acts of infringement or threatened infringement are committed, including its private international law" of Article 89 (1) (d) means Article 8 (2) of the Rome II Regulation.
[32] Case C-479/12, *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH* [2014] ECLI:EU:C:2014:75, [52][53].

relating to the Community design infringement which are not covered by the CDR, including the latter two claims, shall be governed by the law of the country in which the act of infringement was committed under Article 8 (2) of the Rome II Regulation, to the extent of the application of the Regulation, in accordance with Article 88 (2) of the CDR.

Articles 28 to 34 of the CDR address matters on Community designs as objects of property. Unless Articles 28, 29, 30, 31, and 32 provide otherwise, the matters shall be governed by the national law of the Member State, which is determined in accordance with Article 27 of the Regulation[33].

IV European patents with unitary effect

This Chapter overviews basic information on unitary patents, rules for international jurisdiction of the UPC, and laws applicable to the rights.

1. European patents with unitary effect

Currently, preparation for the establishment of unitary patents and UPC is in progress based on a patent package. The patent package is composed of two EU Regulations and one international agreement: the former is the Unitary Patent Regulation[34] and the Translation Regulation[35]; the latter is the UPC Agreement[36]. The two EU Regulations have binding effects on only EU Member States which participate in enhanced cooperation in the area of the creation of unitary patent protection (participating Member States, which are 26 out of 28 EU Member States). The UPC Agreement has not yet come into effect: however, 12 EU Member States ratified the Agreement as of February 28, 2017.

A unitary patent means a European patent which benefits from unitary effect in the participating Member States by virtue of the Unitary Patent Regulation[37]. The unitary patent has a unitary character. It provides uniform protection and has equal effect in all the participating Member States[38].

In order for a unitary patent to be granted, first of all, a person shall acquire a European patent granted with the same set of claims in respect of all the participating Member States[39]. Next, its

[33] Regarding contractual matters, see fn. 17.
[34] Regulation (EU) No 1257/2012 of the European Parliament and of the Council of 17 December 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection, OJ L 361, 31.12.2012, p. 1.
[35] Council Regulation (EU) No 1260/2012 of 17 December 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection with regard to the applicable translation arrangements, OJ L 361, 31.12.2012, p. 89.
[36] Agreement on a Unified Patent Court, OJ C 175, 20.6.2013, p. 1.
[37] Article 2 (c) of the Unitary Patent Regulation.
[38] Article 3 (2) of the Unitary Patent Regulation. See also, Article 5 of the Regulation.
[39] Article 3 (1) of the Unitary Patent Regulation.

patent proprietor submits the request for unitary effect to the EPO[40]. Lastly, once the unitary effect is registered in the Register for unitary patent protection, the effect is granted retroactively to the date of the grant of the European patent[41]. According to Articles 2 (c) and 18 (2), it is likely that the unitary effect extends to participating Member States in which the UPC has exclusive jurisdiction with regard to unitary patents[42].

2. Unified Patent Court

The UPC is established for the settlement of disputes relating to European patents and unitary patents, and the court is a court common to the EU Member States to the UPC Agreement (Contracting Member States)[43]. The UPC comprises a Court of First Instance, which is composed of a central division as well as local and regional divisions[44], a Court of Appeal, and a Registry[45].

The UPC shall have international jurisdiction where, under the Brussels I bis Regulation, the courts of a Contracting Member State would have jurisdiction in an action[46], provided that the UPC has exclusive jurisdiction over the action[47]. Which division of the Court of First Instance has competence is determined in accordance with the UPC Agreement[48]. Incidentally, the UPC has rules of procedure of the courts, namely, Rules of Procedure of the Unified Patent Court.

3. Laws Applicable to European Patents with Unitary Effect

When hearing a case brought before the UPC under the UPC Agreement, the UPC shall base its decisions on (A) EU law, (B) the UPC Agreement, (C) the European Patent Convention, (D) other international agreements applicable to patents and binding on all the Contracting Member States, and (E) national law[49]. Regarding (E), which national law shall be applied is determined in accordance with Article 24 (2) of the Agreement.

In the case of unitary patent infringement, whether the infringement took place will be judged

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[40] See Articles 9 (1) (g) (h) of the Unitary Patent Regulation, Articles 3 (1) (2) of the Translation Regulation, and Articles 14 (1) to (4) of the European Patent Convention.
[41] Article 4 (1) of the Unitary Patent Regulation.
[42] See Hoffmann Eitle, *The EU Patent Package Handbook: A Practitioner's Guide* (CreateSpace Independent Publishing Platform, 2014), pp. 52-53 [Thorsten Bausch and Clemens Tobias Steins]. See also, Pieter Callens and Sam Granata, *Introduction to the Unitary Patent and the Unified Patent Court: The (Draft) Rules of Procedure of the Unified Patent Court* (Kluwer Law International, 2013), p. 25.
[43] Article 1 of the UPC Agreement. See also, Article 2 (c) of the Agreement.
[44] Article 7 (1) of the UPC Agreement.
[45] Article 6 (1) of the UPC Agreement.
[46] Article 31 of the UPC Agreement and Articles 71a and 71b of the Brussels I bis Regulation.
[47] Article 32 (1) of the UPC Agreement. See also Article 83 of the Agreement.
[48] Article 33 of the UPC Agreement.
[49] Article 24 (1) of the UPC Agreement.

referring to Article 5 (3) of the Unitary Patent Regulation. This provision mentions that acts against which the unitary patent provides protection and the applicable limitation shall be those defined by the law of the participating Member State, and the law of the participating Member State is determined in accordance with Article 7. As a result, it follows that Articles 25 *et seq* of the UPC Agreement are always applied to the issue. In addition, Chapter IV of the UPC Agreement shall be applied to measures and remedies which the UPC may impose. As to all matters relating to the unitary patent infringement which are not covered by the abovementioned (A) to (D), it seems that the matters shall be governed by the law of the country in which the act of infringement was committed under Article 8 (2) of the Rome II Regulation[50].

With regard to matters on unitary patents as objects of property, the matters shall be governed by the national law of the participating Member State in which the relevant unitary patent has unitary effect: the national law is determined in accordance with Article 7 of the Unitary Patent Regulation[51].

V. Examination from the Viewpoint of Japanese Private International Law

This Chapter examines international jurisdiction over claims relating to European unitary IP rights, which are brought before Japanese courts, laws applicable to the rights, and recognition and enforcement of judgments in Japan given by the European unitary IP courts.

1. International Jurisdiction

Regarding international jurisdiction, EU trade marks, registered Community designs, and unitary patents can be classified as IP rights which are established upon registration of establishment in foreign countries. Therefore, whether Japanese courts have international jurisdiction over claims relating to European unitary IP rights is likely to be dealt with in the same manner as claims relating to conventional foreign registered IP rights.

2. Laws Applicable to European Unitary Intellectual Property Rights

This section examines (1) laws applicable to matters pertaining to European unitary IP right itself and (2) laws applicable to damage compensation for European unitary IP right infringement.

[50] See Article 24 (2) (a) of the UPC Agreement.
[51] Regarding contractual matters, see fn. 17.

(1) Laws Applicable to Matters pertaining to European Unitary Intellectual Property Right itself

These issues of initial title, creation, existence, contents, limitations and exceptions as well as transferability have been often described as "matters pertaining to IP right itself"[52].

In Japan, the law applicable to these matters would be the law of the country where the right was registered, considering a judgment given by the Supreme Court of Japan in the so-called *Card Reader* case[53] as well as the prevailing theory. According to the judgment, effects of patents shall be governed by the law of the country with which the matter has the closest connection, which was the law of the country where the patent was registered in this case. Moreover, it has been generally thought that the matters of transferability and licensability of IP rights should be governed by *lex loci protectionis*, which is the law of the country where the right was registered in the case of registered IP rights[54].

In the case of national registered IP rights, the law of the country with the closest connection to the matters pertaining to IP right itself would usually be the law of the country where the right was registered, as the rights have effects within only the country where the rights are registered. In the case of European unitary IP rights, the following countries seems to be understood as the countries where the rights are registered if the term is taken literally: Spain, where the EUIPO has its seat, in the case of EU trade marks and registered Community designs; and Germany, where the EPO has its seat, in the case of unitary patents. However, the EU trade marks and Community designs have effects throughout the EU, and the unitary patents also have effects in all participating Member States. In other words, Spain or Germany would not always be the countries with the closest connection to the matters. Accordingly, it is necessary to put aside the abovementioned interpretation and examine which country is the country with the closest connection to the matters pertaining to European unitary IP right itself.

As a way to determine the country with the closest connection, this report proposes to make a reference to rules for laws applicable to matters on European unitary IP rights as objects of property, which are stipulated in each EU Regulation[55]. The matters on "European unitary IP rights as objects of property" should be encompassed by the matters pertaining to European unitary IP right itself. The law of the country, which is determined referring to such rules, especially the rules of the EUTMR and the CDR, would be more closely related to the exploitation of the right, compared with the case that the law of the country where the right was registered is recognized as the law of

[52] See Toshiyuki Kono ed., *Intellectual Property and Private International Law: Comparative Perspectives* (Hart Publishing, 2012), p. 135.
[53] Fujimoto v Neuron Corporation ('Card Reader Case'), 56 Minshū 1551.
[54] See Hiroshi Matsuoka, *Kokusai Kankei Shihō Nyūmon* (*Introduction to International Private Law*), (Yuhikaku, 3rd ed., 2012), p. 166 [Miho Tanaka].
[55] Specifically, Article 16 of the EUTMR, Article 27 of the CDR, and Article 7 of the Unitary Patent Regulation.

the country with the closest connection. In addition, referring to such rules would make it possible that the EU Regulations and the UPC Agreement could be applied in Japan: accordingly, the same law would usually be applied to the matters, including matters on effects of European unitary IP rights, in Europe and Japan. Therefore, it can be said that this proposal should be appropriate from the viewpoint of the predictability as well as international harmonization of judgments.

(2) Laws Applicable to Damage Compensation for European Unitary Intellectual Property Infringement

According to the abovementioned judgment of the Supreme Court of Japan, damage compensation for patent infringement should be characterized as a tort, so that the applicable law on damage compensation should be determined in accordance with Articles 17 to 22 of the Act on General Rules for Application of Laws (The Act on General Rules). Article 17 provides that the applicable law is in principle "the law of the place where the result of the wrongful act occurred": provided, however, that if the occurrence of the result at said place was ordinarily unforeseeable, "the law of the place where the wrongful act was committed" shall govern. The former, "the law of the place where the result of the wrongful act occurred," has been understood as the law of the country where the right was registered, in the case of registered IP rights such as patents[56]. This interpretation may be appropriate to the national registered IP rights for the same reason as for the abovementioned 2(1) of this Chapter. However, this seems to be not the case with European unitary IP rights: countries other than Spain and/or Germany are also candidates for the place where the result of the wrongful act occurred, as EU trade marks and Community designs have effects throughout the EU and unitary patents have effects in all participating Member States.

If the abovementioned interpretation of "the law of the place where the result of the wrongful act occurred" is not appropriate in the case of European unitary IP rights, how can the place be identified exactly? The answer has not been found yet, at least as of writing this report. Accordingly, this report takes a position that Article 17 of the Act on General Rules cannot be applied to European unitary IP right infringement, as it is difficult to identify which country is the place where the result of wrongful act occurred within the meaning of the provision. As a result, the report proposes the following interpretation: (A) this matter falls under "any other circumstances concerned" of Article 20 of the Act on General Rules, and "the law of the place with which the tort is obviously more closely connected than the place indicated in the preceding three Articles 【including Article 17: author】" of the provision, such as the law of the place where the wrongful

[56] See Matsuoka, *op. cit*., p. 123 [Naoshi Takasugi].

act was committed, shall be applied as law applicable to this tort; concurrently, (B) a matter of whether the European unitary IP right was infringed shall be governed by the law applicable to the right itself (see 2 (1)) as a preliminary matter.

This proposal puts a weight on international harmonization of judgments in particular. In Europe, while European unitary IP courts (directly) apply the EU Regulations and the UPC Agreement to at least determination of whether the rights are infringed, the courts apply the law of the country in which the act of infringement was committed to damage compensation for the infringement under Article 8 (2) of the Rome II Regulation[57]. The proposal would bring almost the same result as the abovementioned one in Japan: in other words, the same law as which would be applied in Europe would usually be applied in Japan as well, according to the proposal.

It is noted that Articles 21 (change of governing law by the parties) and 22 (restriction by public policy regarding tort) of the Act on General Rules would also be applied to (A) as far as it depends on the abovementioned Supreme Court judgment.

3. Recognition and Enforcement of Judgments

There is no agreement on recognition and enforcement of judgments between EU Member States and Japan, nor is there any movement for conclusion of such a convention between EU Member States contracting to the UPC Agreement and Japan at present. Therefore, it is likely that recognition and enforcement in Japan of judgments given by EU trade mark courts, Community trade courts, and UPC would be subject to Japanese law (*lex fori*) in the same manner as always. Accordingly, in order for the judgments to be recognized in Japan, they have to meet every requirement stipulated in Article 118 of the Code of Civil Procedure: a final and binding judgment rendered by a foreign court, indirect jurisdiction, service, public policy, and mutual guarantee. In a case of enforcement, it is required not only that an action seeking an execution judgment for the judgments of these courts be brought before a court of Japan and the execution judgment should be given by the court, but also that the judgments should satisfy the abovementioned requirements of Article 118[58].

(1) Judgments Given by EU Trade Mark Courts and Community Design Courts

Considering the nature of EU trade mark courts and Community design courts, it is likely that judgments rendered by these courts can be basically dealt with in the same manner as judgments

[57] However, the UPC Agreement has a provision on award of damages (Article 68).
[58] See Articles 22 (6) and 24 of the Civil Execution Act.

rendered by usual foreign courts. Incidentally, the following judgments would not be recognized and enforced in Japan, as these judgments would not meet the requirement of indirect jurisdiction: judgments rendered by courts of the EU Member State in which the plaintiff is domiciled: judgments rendered by courts of the EU Member States in which the plaintiff has an establishment; and judgments rendered by the courts of the EU Member State where the EUIPO has its seat, namely, Spain[59].

(2) Judgments Given by the Unified Patent Court

Regarding recognition and enforcement of UPC judgments, it seems to be difficult to identify "a rendering state of the judgment": accordingly, there remains some doubts on the interpretation of requirements, such as indirect jurisdiction and/or mutual guarantee, provided by the Code of Civil Procedure in terms of the UPC judgments[60]. Here, apart from the interpretation of the Code of Civil Procedure, this report focuses on the Judgments Project which has been undertaken by the Hague Conference on Private International Law (HCCH). Having a look at the 2016 preliminary draft Convention [61] which a Special Committee of this project drew up, it seems that the abovementioned problem may not occur on the assumption that the draft Convention would be applied to recognition and enforcement in Japan of UPC judgments relating to unitary patents[62].

In short, a framework for recognition and enforcement of judgments provided by the draft Convention, is as follows[63]: where a judgment given by a court of State of origin has a (exclusive) base for recognition and enforcement established by the draft Convention[64], the judgement shall be recognized and enforced in a requested State; however, recognition or enforcement may be refused if the judgment has a cause for refusal of recognition and enforcement provided by the draft Convention[65].

Reading the draft Convention from the viewpoint of UPC judgments relating to unitary patents, it seems that a judgment made on an infringement of a unitary patent as well as a judgment made on the registration or validity of a unitary patent will be eligible for recognition and enforcement, if the judgment was given by a court "in the State in which the [deposit or] registration of the right concerned has taken place, or is deemed to have taken place under the terms of an international or

[59] See Article 97 (2) (3) of the EUTMR and Article 82 (2) (3) of CDR.
[60] E.g. Atsuko Yamaguchi, "The Unified Patent Court and Japanese Private International Law: From a Viewpoint of Recognition and Enforcement of Judgments," *Kokusaiho Gaiko Zasshi* (*the Journal of International Law and Diplomacy*) Vol. 115 (2), p. 102 *et seq*.
[61] Available at https://assets.hcch.net/docs/42a96b27-11fa-49f9-8e48-a82245aff1a6.pdf (as of 3 March 2017).
[62] Regarding the scope of the Convention, see Articles 1 and 2 of the 2016 preliminary draft Convention.
[63] See Article 4 (1) of the 2016 preliminary draft Convention.
[64] See Articles 5 and 6 of the 2016 preliminary draft Convention.
[65] See Article 7 of the 2016 preliminary draft Convention.

regional instrument."[66] Regarding this phrase, the Explanatory Note mentions as follows:

> For unitary rights, there is a single deposit or registration so that the "real" place of deposit or registration is not the key factor for the operation of the provision. The expression "is deemed to have been applied for or to have taken place under the terms of an international or regional instrument" is therefore introduced to refer to the State where the unitary rights have effects[67].

Accordingly, it follows that the judgment given by the UPC will be eligible for recognition and enforcement in Japan, to the extent that the UPC is located in the State where the unitary patent has effects: however, recognition or enforcement may be refused in Japan, if the UPC judgment has a cause for refusal of recognition and enforcement established by Article 7 (1) of the draft Convention[68].

What is discussed above is based on the assumption that the draft Convention would be applied to recognition and enforcement in Japan of UPC judgments relating to unitary patents. In any case, the Judgments Project of the HCCH is still ongoing[69]. It will be necessary to keep paying attention to its movement[70].

VI. Conclusion

This report examined Japanese PIL in the field of IP rights from the viewpoint of European unitary IP rights/courts. The challenge for the future is to further deepen and refine this study.

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[66] See Articles 5 (1) k) and 6 a) of the 2016 preliminary draft Convention. The latter is one of the exclusive bases for recognition and enforcement.

[67] The Working Group on the Judgments Project, "Proposed Draft Text on the Recognition and Enforcement of Foreign Judgment," p. 30 at 155. Available at https://assets.hcch.net/docs/01adb7d9-13f3-4199-b1d3-ca62de79360f.pdf (as of 7 March 2017).

[68] See Article 7 (2) of the 2016 preliminary draft Convention.

[69] Although this report refers to the 2016 preliminary draft Convention, the latest February 2017 draft Convention was published recently. Available at https://assets.hcch.net/docs/d6f58225-0427-4a65-8f8b-180e79cafdbb.pdf (as of 15 March 2017).

[70] Besides, it seems to be necessary to examine the project, including the 2016 preliminary draft Convention, from the viewpoint of UPC judgments relating to European patents as well as judgments rendered by EU trade mark courts and Community design courts.