Joint Recommendation Concerning the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet Adopted by WIPO and Paris Union
— A measure for practical solution of the conflict between territorial protection for trademarks and the borderless nature of the Internet —

Trademark Committee

When using a trademark on the Internet, there is a possibility that the user of the trademark, not knowingly, comes into collision with a trademark owned by another in another country since the Internet can be accessed and viewed from anywhere in the world.

Accordingly, the Standing Committee of the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) of WIPO has discussed measures for solving such a problem, which work was fruited with the adoption of "Joint Recommendation Concerning the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet" at the Paris Union Assembly and the WIPO General Assembly held in October, 2001. The recommendation is not the one which was intended to construct a new industrial property law for the Internet, but is the one intended to facilitate the application of existing industrial property right laws of various countries or regions. The major contents of the recommendation are as follows;

1) the use of a trademark in a particular country shall be deemed to have taken place when any commercial effect has occurred;

2) provision of the "notice and avoidance of conflict" procedure which allows a certain level of immunity when a person avoids conflict after receiving a notice from a right holder; and

3) the global injunction shall be prohibited unless use in question is in bad-faith.

Although the recommendation does not have the power of enforcement like a treaty, it being considered as a guideline can be reflected in the revisions of relevant regulations or their operations in each of the nations or regions. As further discussions are progressed, we can also expect the recommendation to evolve into a form of, for example, a treaty in the future.

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Recent Amendment of the Unfair Competition Prevention Law on the Legal Protection of Domain Name

The second Subcommittee,
Fair Trade Committee

The present material is to explain the "Law to Partially Amend the Unfair Competition Prevention Law" which has become effective as of December 25, 2001 in Japan for protecting domain names that have economic value, as well as to outline the system of Alternative Dispute Resolution System and current international trends.

In order to protect "marks of specific goods or services" that has a distinctiveness to identify their sources in the same function as trademarks and tradenames, the Law provides civil remedies against unfair competition practices with bad-faith intent to use domain name, which registration system is based on first-come first-serve and no-examination. The right-holder of "marks of specific goods or services" is entitled to seek compensatory damages, permanent injunctions and injunctive relief to prevent infringement against cybersquatting acts of a third party, such as the acts of registering, holding or using in a website a domain name that is identical or confusingly similar to the "marks of specific goods or services" with the bad-faith intent to profit from the goodwill of the right holder or to tarnish the mark, or offering to the right holder of trademark to assign such domain name at an unreasonably high price.

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Study of Standardized Technology Licensing

The Fourth Subcommittee
License Committee

In the recent years, the activities to provide technical standard to keep compatibility or interoperability between products or services on the market is becoming more and more active. In the activities of standardization, various licensing schemes of essential patents have discussed in relation to such technical standards, and new licensing systems that are simple and easy for both the licensees and licensors have been provided, such as the patent pool etc. Furthermore, in the standardization of third generation cellular phones, a new scheme called "platform" that compensates the weakness of the patent pool is being discussed.

The intension of this article is to analyze and introduce; (1) the type of standardization efforts; and (2) license policies and licensing activities of standardization organizations; that are seen mainly in Japanese domestic standardization organizations, and to discuss how the patent licensing of those standardized technologies should be, by analyzing the problems in each of the licensing schemes that have currently been proposed from the conflicting viewpoints between the encouragement of the diffusion of the technological standards and the guarantee of profits of patent right holders.

There are an extremely small number of standardization organizations that clearly indicate their IPR policies. This is believed to be either because the organizations don't want to mention IPR as there are many cases of contradiction between the promptness of standardization efforts and the coordination of interests in each member, or because in many cases they apply ISO rules as a common reasonable compromising point that most of the standardization members agree.

However, leaving "reasonable royalty" of the ISO rules only to the coordination efforts between concerned parties may contradict the inherent purposes of the standardization, and it is believed necessary to implement some controls, such as those provided by arbitrations by third parties etc.

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