

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Goods (GATT)
Negotiating Group on Trade-Related Aspects
of Intellectual Property Rights, including
Trade in Counterfeit Goods

SUBMISSION BY JAPAN

Addendum

The following communication, dated 12 September 1988, has been received from the Permanent Mission of Japan.

In order to bring improvements in the problems concerning trade-related aspects of intellectual property rights, the Japanese Government proposed "General Rules and Disciplines to Be Agreed Upon" and "International Cooperation" in November 1987 (MTN.GNG/NG11/W/17).

Our country proposes the following revisions to (2) and (3) in 2. "General Rules and Disciplines to Be Agreed Upon" and to the "Annex" contained in W/17. The revisions made below represent the Japanese government's points of view at the present stage, and they remain subject to further modification.

1. W/17, 2. "General Rules and Disciplines to Be Agreed Upon", (2) is revised as follows:

(2) Intellectual Property Rights Which Are to Be Protected

Patents, trademarks, designs, copyright, neighbouring rights, semiconductor integrated circuit layout rights shall be the rights to be protected.

Concerning objects to be protected in the new frontiers of technology, deliberate study shall be made on them with an aim to having an appropriate way of protecting each object in accordance with its nature.

2. W/17, 2. "General Rules and Disciplines to Be Agreed Upon", (3) is revised as follows:

(3) The Norms for the Protection of Intellectual Property Rights

(i) The participants shall accede to the Stockholm Act of the Paris Convention for the Protection of Industrial Property and the Paris Act of the Berne Convention for the Protection of Literary and Artistic Works;

(ii) Trade restricting and distorting effects have been emerging due to the lack of established international norms adequate for protecting intellectual property rights. It is therefore necessary to establish, by taking the present international treaties into consideration, adequate international norms for the protection of intellectual property rights which are to be protected (in concrete terms, norms such as the ones in the Annex can be considered) and for each participant to frame national laws on the basis of such norms.

3. W/17, "Annex" is revised as follows:

Patents

(1) Rights Conferred

A patent shall confer on its owner the right to prevent third parties not having his consent from at least the following acts:

where the subject matter of the patent is an invention of a product,

- (i) acts of manufacturing, using, assigning, leasing or importing the product,
- (ii) acts of displaying, for the purpose of assignment or lease, the product;

where the subject matter of the patent is an invention of a process,

acts of using the process;

where the subject matter of the patent is an invention of a process of manufacturing a product,

- (i) acts of using the process,
- (ii) acts of using, assigning, leasing, or importing the product directly manufactured by the process,
- (iii) acts of displaying, for the purpose of assignment or lease, the product directly manufactured by the process.

(2) Patentability

Patents shall be granted for inventions of products and processes which are industrially applicable and novel and which involve an inventive step.

(3) Patentable Subject Matter

Patents shall be granted for inventions with the exceptions of inventions contrary to public order, morality or public health, and of inventions of substances manufactured through nuclear transformation.

(4) Terms of Patents

The term of a patent shall be 20 years from the filing date of the patent application. In the case of a divisional or continuing application, the term shall be calculated from the filing date of the earliest application. Extension may be granted to the term of a patent provided that it is not unduly long, where and to the extent that the patented invention is deterred from working by the government's regulatory review.

(5) Non-Voluntary Licence and Forfeiture of a Patent

In granting a non-voluntary licence, reasonable compensation shall be provided to the patentee.

Judicial review shall be available in the following cases:

- (i) the granting of non-voluntary licences such as those on the grounds of failure to work or insufficient working, in respect of dependent patents, or in the public interest, and compensation therefor; and
- (ii) forfeiture of a patent where applicable.

(6) Voluntary Licence

A state shall not impose undue or discriminatory restrictions on a patentee's voluntary licence.

(7) Non-Discriminatory Treatment

Equal and non-discriminatory treatment shall be guaranteed in the requirements for filing a patent application, and obtaining or maintaining a patent.

Trademarks

(1) Definition

A trademark shall include at least such that consists of letters, figures, signs or any combination thereof, or any of their combination with colours, and that is capable of distinguishing the goods of one undertaking from those of other undertakings.

(2) Rights Conferred

Exclusive rights of trademarks shall derive from either registration or use. The owner of a trademark shall have the exclusive right to use the registered trademark for goods for which the trademark is registered, and to prevent third parties not having his consent from using identical or similar trademarks for identical or similar goods. Use of a trademark prior to registration shall not be a condition for registration.

(3) Well-Known Marks

Protection shall be provided for well-known marks. Protection shall be extended inter alia against the use of a well-known mark for goods which are dissimilar to original goods, where the use of the mark for such dissimilar goods is liable to create confusion as to the origin of the goods.

(4) Opposition

Opposition shall be institutionalised against the grant of the registration or the registration of the trademark.

Administrative procedures related to the opposition shall at least ensure that all parties concerned be given an opportunity to present their views and that rulings be made, on the basis of equal and clear criteria, as to grounds pleaded by the opponent.

(5) Term of Protection

A trademark shall be registered for no less than ten years and shall be renewable indefinitely where conditions for renewal are met.

(6) Use

In a country where use of a registered trademark is required to maintain trademark rights, the registration may be cancelled only after an uninterrupted period of at least three years of non-use, unless legitimate reasons for non-use exist.

(7) Licence

A state shall not impose undue or discriminatory restrictions on a voluntary licence of a trademark owner. No non-voluntary licensing of a trademark shall be imposed.

(8) Assignment

Assignment of trademarks shall be permitted.

(9) Service Marks

Service marks shall be protected at least to the extent that business interests of the user are not harmed.

(10) Non-discriminatory Treatment

Equal and non-discriminatory treatment shall be guaranteed in the requirements for filing a trademark application, and obtaining or maintaining the registration.

Designs

(1) Requirements for Protection

Designs which are novel and original shall be protected.

(2) Design Rights

A design right shall confer on its owner the right to prevent third parties not having his consent from at least the following acts:

- (iii) acts of manufacturing, using, assigning, leasing or importing the article which is the subject matter of the registered design;
- (iv) acts of displaying, for the purpose of assignment or lease, the article.

(3) Term of Protection

The term of protection shall be at least 10 years.

(4) Non-Discriminatory Treatment

Equal and non-discriminatory treatment shall be guaranteed in the requirements for filing a design application, and obtaining or maintaining the registration.

Copyright

(1) Participants shall accede to and frame national laws based upon the Paris Act of the Berne Convention for the Protection of Literary and Artistic Works which stipulates the following as its fundamental principles:

(a) Subject Matter of Copyright

A production in which thoughts or sentiments are expressed in a creative way and which falls within the literary, scientific, artistic or musical domain is "work" that is entitled to copyright protection.

(b) Contents of the Rights

The author shall enjoy the moral rights and the economic rights to his work as stipulated in the Berne Convention.

(c) Non-formality

Copyright protection shall attach automatically upon creation of the work and the exercise of the rights shall not be subject to any formality.

(d) Limitations on Copyright

Limitations on copyright shall follow the line of the Berne Convention.

(e) Term of Protection

The term of protection of works shall be, in principle, the life of the author and fifty years after his death in accordance with the Berne Convention.

(2) Participants shall provide appropriate protection to the following works:

(a) Computer Data Bases

Computer data bases which, by reason of the selection or systematic construction of information contained therein, constitute intellectual creations shall be protected as independent works.

(b) Computer Program

The copyright protection of computer program works shall be given appropriate considerations in accordance with their nature which include the following:

(i) The protection shall not extend to any programming language, rule or algorithm used for making such works.

(ii) The owner of a copy of a program work may make copies or adaptations of that work if and to the extent deemed necessary for the purpose of exploiting that work in a computer by himself.

Neighbouring Rights

Participants shall provide protection for performances, phonograms and broadcasts based upon the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations as follows:

(1) Performers

The protection provided for performers shall include the possibility of preventing the broadcasting of their performance, the fixation of their unfixed performance, and the reproduction of a fixation of their performance, without their consent.

(2) Producers of Phonograms

Producers of Phonograms shall enjoy the right to authorize or prohibit the direct or indirect reproduction of their phonograms.

(3) Broadcasting Organizations

Broadcasting Organizations shall enjoy the right to authorize or prohibit the rebroadcasting and the fixation of their broadcasts, and the reproduction of fixations of their broadcasts.

(4) Exceptions

Exceptions to the protection of the neighbouring rights shall follow the line of the Rome Convention.

(5) Term of Protection

The term of protection for performances, phonograms and broadcasts shall last at least until the end of a period of 20 years computed from the end of the year in which the fixation was made or the performance or broadcast took place.

Semiconductor Integrated Circuit Layout Rights

(the same as W/17)