

III. CUSTOMS CONTROLS AGAINST GOODS INFRINGING INTELLECTUAL PROPERTY RIGHTS

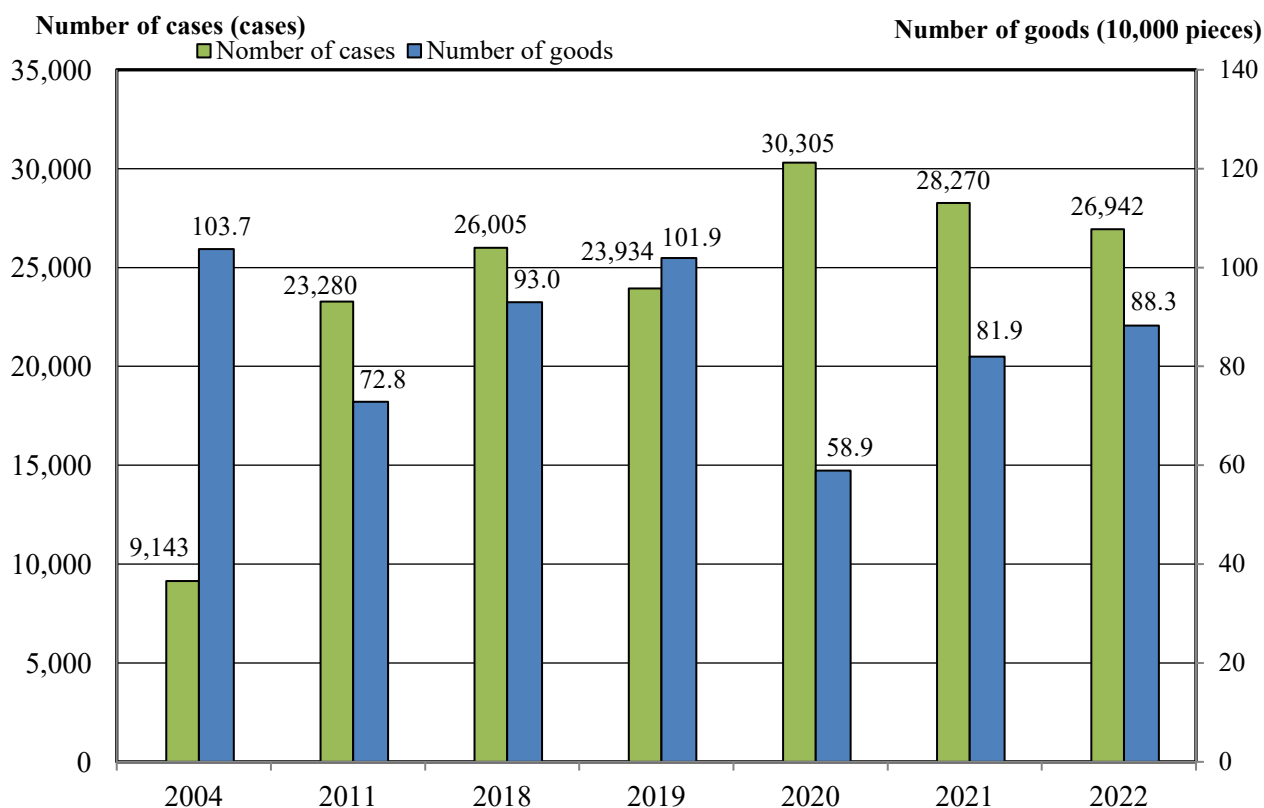
Goods infringing intellectual property rights are specified as articles prohibited from import or export under Article 69-2 and Article 69-11 of the Customs Act and are regulated by Customs at the border. When the goods are found to be infringing intellectual property rights, they are confiscated by Customs and the relevant person may be punished in some cases under Article 109 or other provisions of the Customs Act.

1. Import Suspensions Regarding Goods Infringing Intellectual Property Rights

(1) Transition in import suspensions (2022*)

The number of import suspensions by Customs regarding goods infringing intellectual property rights was 26,942 cases (down by 4.7% from the previous year). Although the number decreased from the previous year, it remains at a high level. The number of articles suspended from import was 882,647 (up by 7.7% (id.)).

Transition in import suspensions regarding goods infringing intellectual property rights



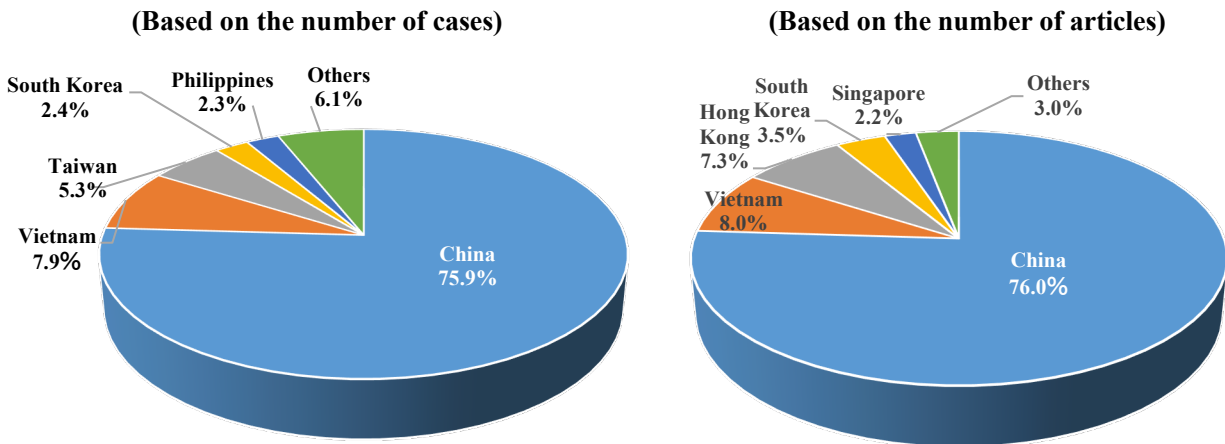
(Note) The "number of cases" refers to the number of import declarations or postal items that included goods infringing intellectual property rights whose import was prohibited by Customs. The "number of goods" means the number of goods infringing intellectual property rights whose import was prohibited by Customs.

* Website of the Ministry of Finance: http://www.mof.go.jp/policy/customs_tariff/trade/safe_society/chiteki/cy2022/index.htm

(2) Import suspensions by source

The number of import suspensions remains at a high level, with imports from China being the largest (20,461 cases; composition ratio: 75.9%; down by 6.5% from the previous year). The number of goods suspended from import was also the largest for those from China (671,133 pieces; composition ratio: 76.0%; up by 9.0% (id.)). China's composition ratios remain to be high both in terms of the number of cases and the number of articles.

Composition ratio of import suspensions by source (2022)

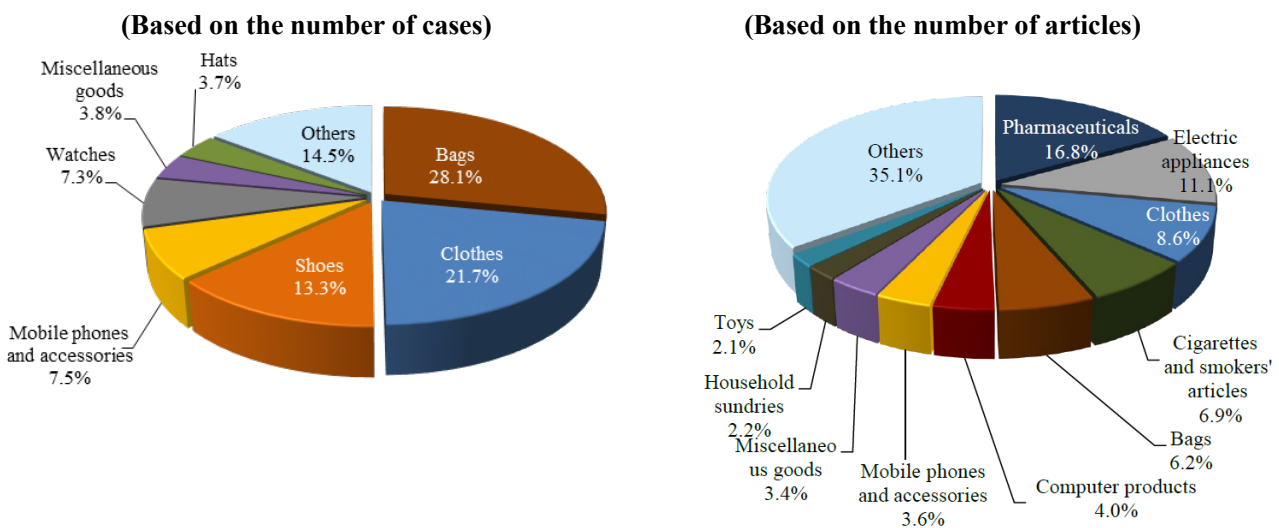


(Note) The total of composition ratios may not be 100% due to rounding.

(3) Import suspensions by item

The number of import suspensions was the largest for bags, such as wallets and handbags, at 9,045 cases (composition ratio: 28.1%; down by 5.5% from the previous year), and the number of articles suspended from import was the largest for pharmaceuticals at 148,439 pieces (composition ratio: 16.8%; up by approx. 7 times (id.)).

5 Composition ratio of import suspensions by item (2022)



(Note) The total of composition ratios may not be 100% due to rounding.

(4) Major import suspensions regarding goods infringing intellectual property rights

◆ Goods often subject to import suspensions

Bags (Trademark right)



Replica uniforms (Trademark right)



◆ Goods for which import suspensions increased in 2022

Smartphone cases (Trademark right)



Tape cassettes (Patent right)

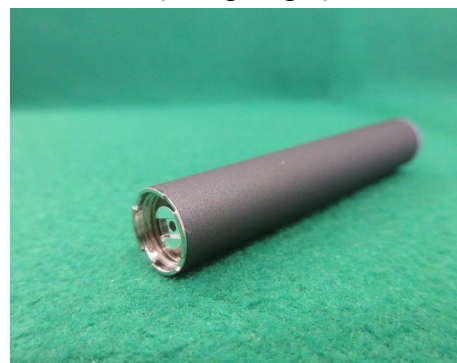


◆ Goods posing a risk to people's health and safety

Water purifier cartridges
(Trademark right)



Heated tobacco cartridges
(Design right)



2. Accusation Case Related to Goods Infringing Intellectual Property Rights

During the one-year period from January to December of 2022, customs made accusations in a total of 9 smuggling cases.

[Case 1] Smuggling of goods infringing trademark rights

Customs accused a corporation and two Vietnamese nationals that attempted to smuggle **a total of 1,387 bags, etc. infringing trademark rights** by the use of international parcel post from China of violating the Customs Act.

(Jun. 2022; Kobe Customs)



[Case 2] Smuggling of goods infringing trademark rights

Customs accused a Filipino national who attempted to smuggle **a total of 389 towels, etc. infringing trademark rights** by the use of express small-lot air cargo and international mail from China of violating the Customs Act.

(Aug. 2022; Tokyo Customs)



[Case 3] Smuggling of goods infringing trademark rights

Customs accused two Japanese nationals who attempted to smuggle **a total of 155 pieces of clothes, etc. infringing trademark rights** by the use of Express Mail Service from China of violating the Customs Act.

(Dec. 2022; Moji Customs)

