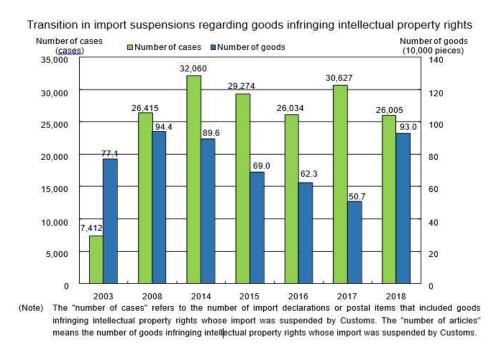
IV. LAW ENFORCEMENT AGAINST GOODS INFRINGING INTELLECTUAL PROPERTY RIGHTS

Goods infringing intellectual property rights such as counterfeit goods 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 Susupensions Regarding Goods Infringing Intellectual Property Rights

(1) Transition in import suspensions (2018*)

The number of import suspensions by Customs regarding goods infringing intellectual property rights was 26,005 cases (down by 15.1% from the previous year), maintaining a high level exceeding 25,000 cases for the seventh consecutive year. The number of articles suspended from import was 929,675 (up by 83.5% from the previous year), the highest level in the past five years.

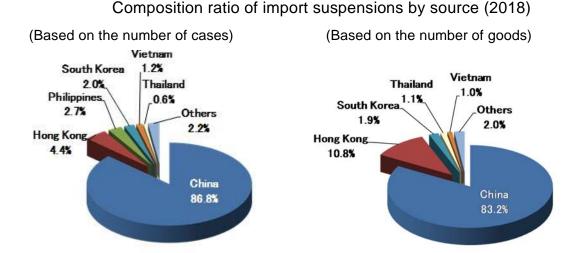


^{* 2019} data on import suspensions regarding goods infringing intellectual property rights are scheduled to be publicized in March 2020.

Japan Customs' Website: https://www.customs.go.jp/mizugiwa/chiteki/pages/g 001 e.htm

(2) Import suspensions by source

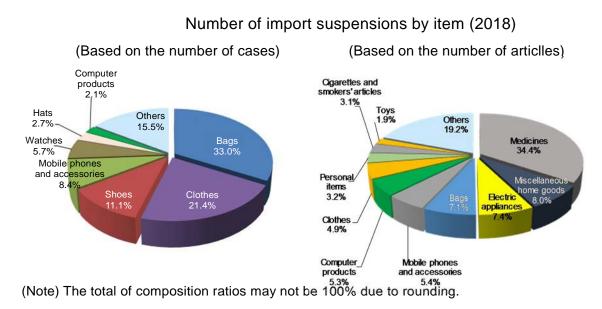
The number of import suspensions was the largest for imports from China (22,578 cases [composition ratio: 86.8%]; down by 20.1% from the previous year). The number of goods suspended from import was also the largest for those from China (773,460 pieces [composition ratio: 83.2%]; up by 86.4% from the previous year). China's composition ratios remain to be high both in terms of the number of cases and the number of articles.



(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 9,391 cases (composition ratio: 33.0%; down by 26.2% from the previous year), and the number of articles suspended from import increased significantly for medicines to 319,716 pieces (composition ratio: 34.4%; up by 1701.7% from the previous year).



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

◆Goods often subject to import suspensions

Earphones (Design right)



Lapel pins (Trademark right)



◆Goods for which import suspensions increased in 2018

Medals commemorating the Olympic Games (Trademark right)



Battery for e-cigarette (Design right)



2. Accusation case related to Goods Infringing Intellectual Property Rights

Customs made accusations of a total of 14 smuggling cases of goods infringing trademark rights, such as watches, during the one-year period from January to December of 2019.

[Case 1] Smuggling of goods infringing trademark rights

Customs found 20 watches infringing trademark rights that a Japanese man attempted to smuggle from Hong Kong in a small package by express airfreight, and accused the man of violating the Customs Act. (March 2019, Tokyo Customs)



[Case 2] Smuggling of goods infringing trademark rights

Customs found 393 smartphone cases infringing trademark rights that a Japanese man attempted to smuggle from China using international mail, and accused the man of violating the Customs Act. (August 2019, Nagasaki Customs)



[Case 3] Smuggling of goods infringing trademark rights

Customs found 9 watch straps infringing trademark rights and a total of 112 sets of watch straps and components infringing trademark rights that a Japanese man attempted to smuggle from China using international mail, and accused the man of violating the Customs Act. (November 2019, Nagoya Customs)

