

# Vol. 30 Bulletin

## JAPAN TRADEMARK ASSOCIATION

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#### **Introduction to JTA Bulletin**

JTA Bulletin is a newsletter covering Japanese notable IP issues in the field of trademark, design, unfair competition, etc., which is periodically edited by the International Committee. All contents in JTA Bulletin are available on the website of JTA (<a href="http://www.jta.tokyo/english/">http://www.jta.tokyo/english/</a>). Please feel free to send any feedback, suggestions, and comments to (secretary@jta.tokyo).

#### Admission to JTA

If you would like to apply for membership of JTA, have any inquiries regarding application for membership, or would like to know details of the association's activities, please contact below.

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#### **Editorial Board**

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© Hiroko Hirayama, Tomohiro Nakamura, Kaoru Takeshita, Fumie Enari, Shunji Sato, Ken Nakayama, Chisako Yagi, Haruka Iida, Yosuke Takenaka, Yoko Sakuma, Shizuka Igarashi, Megumi Saito



## I. JPO's Statistics (2024) Trends in Intellectual Property (from the JPO's Status Report updated in September

2024)

HIRAYAMA, Hiroko Asamura IP P. C.

The Japan Patent Office (JPO) Status Report provides insights into the JPO's initiatives and statistical data for public dissemination. For trademarks, the JPO has undertaken several initiatives such as accelerated examinations, quality management, revisions to the Examination Guidelines for Trademarks, and the protection of regional collective trademarks. These efforts aim to ensure appropriate trademark protection and enhance user convenience.

To address the Act Partially Amending the Unfair Competition Prevention Act, etc., promulgated as Act No. 51 on June 14, 2023, the Working Group on Trademark Examination Standards convened to discuss revisions to the Examination Guidelines for Trademarks. The primary topics discussed included:

- Revisions related to the introduction of a consent system (Article 4(4), Article 8)
- Revisions associated with the relaxation of registration requirements for trademarks incorporating another person's name (Article 4(1) (viii)).

(Source: JPO Status Report 2024)

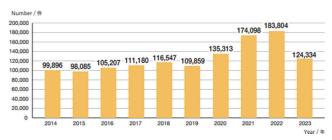
# 1. Number of Trademark Applications (Including Defensive Trademark Applications and Renewals of Defensive Trademark Registrations) In 2023, applications totaled 164,061, reflecting an annual decrease of 9.6% compared to the previous year.

#### 1 Number of Trademark Applications



## **2. Number of Trademark Registrations in 2023**The total number of registrations was 124,334, a decrease of 6.8% compared to 2022.

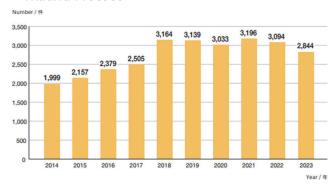
#### 2 Number of Trademark Registrations



## 3. Registrations of International Applications Designating Japan

Registrations under the Madrid Protocol designating Japan decreased to 2,844 in 2023, an annual decline of 9.2%.

## Number of International Applications under the Madrid Protocol



## 4. Statistics of International Registrations Under the Madrid Protocol

(Source: WIPO statistics database; last updated: January 2025)

(1) The following figure shows International Registrations **by office of origin**.

Designated contracting party	2019	2020	2021	2022	2023	2024	Total (six years)
China	7457	7396	5554	4832	5108	5727	36074
European Union Intellectual Property Office	9594	9647	10990	10928	10408	10009	61576
India	320	357	300	310	384	324	1995
Indonesia	37	93	85	103	89	103	510
Republic of Korea	1368	1503	1965	1825	2841	2276	11778
Thailand	147	119	82	50	118	135	651
United Kingdom	2728	2703	3556	4485	3939	3499	20910
United States of America	9705	9963	12680	13270	11054	10917	67589
Japan	3471	3089	3115	3172	2841	3073	18761

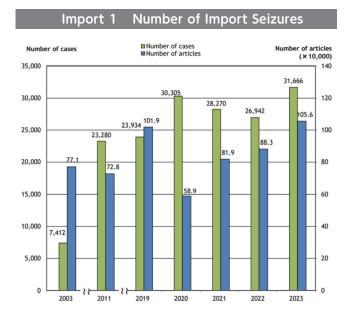
# (2) The following figure shows International Registrations <u>registered by the designated</u> <u>offices of all contracting parties</u>.

Designated contracting party	2019	2020	2021	2022	2023	2024	Total (six years)
China	24655	22020	23939	22663	19101	17980	130358
European Union Intellectual Property Office	27172	26106	30806	32079	27931	27650	171744
India	13275	11923	13216	13298	11997	11758	75467
Indonesia	7517	7313	8039	7950	7710	8240	46769
Republic of Korea	14250	12789	13962	13829	12081	11934	78845
Thailand	8167	7763	8088	7906	7733	8338	47995
United Kingdom	14972	17612	30950	33344	29165	28021	154064
United States of America	24669	24198	26820	27122	14895	24297	142001
Japan	15385	16654	18367	18293	15451	15028	99178

- \* Top five (5) countries designating Japan in 2024:
  - 1 USA
  - 2 China
  - 3 Germany
  - 4 Republic of Korea
  - 5 France

## 5. Seizure Statistics and IP Border Enforcement by Japan Customs

Japan Customs enforces border control to prevent goods infringing on intellectual property rights (IPR). The export, import, and transit of goods violating IPR is prohibited under the Customs Law. In 2023, the number of import cases totaled 31,666, an increase of 8.5% from the previous year. The number of articles subject to import injunctions reached 1,056,245, marking a 12.0% increase compared to the previous year. Among these cases, 95.5% involved trademarks. Additionally, the number



of design articles seized in 2023 increased by 32.5% compared to the previous year.

#### Import 2 Number of Import Seizures by Type of Rights

Source: Trade Statistics of Japan Customs

		2019	2020	2021	2022	2023	Share
Patent	Cases	83	116	174	280	230	0.7%
Patent	Articles	19,211	40,523	27,429	34,631	34,127	3.2%
Design	Cases	289	323	302	354	348	1.1%
Design	Articles	85,684	58,867	73,953	136,148	442,073	41.9%
Trademark	Cases	23,182	29,483	27,424	25,705	30,448	95.5%
Hauemark	Articles	867,804	416,599	621,684	548,972	500,824	47.4%
Conveight	Cases	505	576	674	841	863	2.7%
Copyright	Articles	46,113	73,230	96,345	162,896	79,221	7.5%
Unfair Competition	Cases	3	0	0	0	0	0.0%
Prevention Law	Articles	68	0	0	0	0	0.0%
Total	Cases	23,934	30,305	28,270	26,942	31,666	100.0%
(including other rights)	Articles	1,018,880	589,219	819,411	882,647	1,056,245	100.0%

#### **II.** Attendance Reports at International Events

1. DLT (Design Law Treaty) Report

JTA contributes to the Diplomatic Conference to Conclude and Adopt the Design Law Treaty (DLT)

NAKAMURA, Tomohiro Konishi & Nakamura

The JTA delegation attended the Diplomatic Conference of the Design Law Treaty (DLT) as observers. The Conference was held from November 11 to November 22, 2024, in Riyadh, Saudi Arabia.

On November 22, 2024, the Conference adopted the Riyadh Design Law Treaty (RDLT), which was opened for signature on the same day. The RDLT aims to harmonize national design laws among the member states of the World Intellectual Property Organization (WIPO). While the treaty primarily focuses on procedural and administrative aspects of design filing and registration, it also addresses crucial subjects that significantly impact design application practices.

Recognizing the importance of these developments, the JTA delegation participated actively, presenting an opening statement and observations on the draft articles of the RDLT. Considering these RDLT aspects, the

subjects discussed in RDLT cited below, which were adopted by the Conference, can enhance design filing and protection in member states of WIPO. This article highlights three key subjects addressed by the treaty and provides brief commentary from the practitioners' perspectives. These provisions can provide considerable benefits to design applicants and designers.

The RDLT introduces a 12-month grace period for design applicants, allowing them to maintain the novelty of a design even if it has been disclosed before filing. Novelty is a critical requirement for registering a design, but market strategies and surveys often necessitate early disclosure. This grace period is a significant tool for protecting designs against unintentional or intentional prior disclosures.

#### **Deferred Disclosure by National Offices**

Under the RDLT, national offices are prohibited from disclosing a design for at least six months following its actual filing date (not the priority date). This provision grants design applicants greater control over the timing of public disclosure, which is especially advantageous for strategic marketing purposes.

#### Optional Disclosure of Traditional Cultural Expression and Traditional Knowledge

The RDLT does not mandate the submission of information regarding whether a design incorporates elements of traditional cultural expression (TCE) or traditional knowledge (TK), and differs being dependent on the national law. While some parties, particularly the African group, advocated for mandatory disclosure, this proposal was ultimately rejected. Consequently, the submission of TCE or TK information is subject to national laws, providing flexibility for design applicants.

#### **Anticipated Impact**

The JTA anticipates that the adopted RDLT will serve as a catalyst for harmonizing national design laws, thereby encouraging designers and applicants to seek design protection in multiple jurisdictions.

Reporter: Tom Nakamura, Designs Committee & International Activities Committee

#### **II.** Attendance Reports at International Events

2. MWG22 (22nd Working Group on the Legal Development of the Madrid System for the International Registration of Marks) Report

JTA participates in the Working Group on the Legal Development of the Madrid System for the International Registration of Marks: Twenty-second Session (MWG)

TAKESHITA, Kaoru Nakamura & Partners

The Japan Trademark Association (JTA) participated in the Twenty-second Session of the Working Group on the Legal Development of the Madrid System for the International Registration of Marks, held in-person and online from October 7 to October 11, 2024, at the World Intellectual Property Organization (WIPO) headquarters in Geneva, Switzerland.

During this session, the Working Group agreed to recommend to the Madrid Union Assembly the adoption of the proposed amendments on the topics of "E-mail Address as a Required Indication for Selected Requests for Recording" and "Recalculation of the Amounts of the Individual Fees in Swiss Francs." Discussion on the topics of "Proposal by the Delegation of the Republic of Moldova" (addressing the qualification of applicants in international trademark applications submitted by two or more applicants), "Dependency," and the "Possible Introduction of New Languages" (Chinese, Russian, Arabic, Japanese, Portuguese, and German), all of which may have a significant impact on Japanese users, will continue in subsequent sessions.

In response to concerns raised during the discussion of "Dependency" regarding the increase in bad-faith applications, the Working Group agreed to request that a survey be conducted on the incidence of bad-faith in the Madrid System and the use of central attack in respect thereof as well as other grounds invoked to request the cancellation of an international registration due to the ceasing of effect of the basic mark.

Regarding the topics surrounding the "Possible Introduction of New Languages," the Working Group agreed to the introduction of a differentiated translation practice. The practice will be monitored to ensure that necessary translation quality levels are maintained, and data on the accuracy of the machine-translation tools used in the implementation will be provided at future sessions. Furthermore, the Working Group invited Contracting Parties, other WIPO Member States, and users' organizations to submit comments to the International Bureau regarding the proposal by the Delegations of Brazil, Cabo Verde, Germany, Japan, Mozambique, the Republic of Korea, Portugal, and São Tomé and Principe.

The JTA looks forward to actively participating in future sessions of the Working Group and addressing practical issues relevant to Japanese users and representatives.

#### **II**. Key Developments in Japanese Trademark and Design Practice

1. The JPO's Guidelines for Designated Goods and Services Related to Virtual Environments and Non-Fungible Tokens

> ENARI, Fumie Takino, Kawasaki & Associates

As business related to virtual environments gain attention, the number of trademark applications for virtual goods and services has significantly increased over recent years. To address this trend, the alphabetical list of the International Classification of Goods and Services, 12th edition, version 2024, under the Nice Agreement, has been expanded to include terms such as "downloadable virtual clothing" in Class 9 and "online retail services for downloadable virtual clothing" in Class 35.

In response, the Japan Patent Office (JPO) published guidelines for designated goods and services related to virtual environments and non-fungible tokens (NFTs) on March 29, 2024. These guidelines aim to clarify the JPO's practices, following similar announcements by the European Intellectual Property Office and the Korean Intellectual Property Office.

This article introduces the JPO guidelines and provides examples of acceptable or unacceptable indications of goods and services in Japan from March 29, 2024, onward. The numbers in parentheses indicate similar group codes (subclasses) adopted by the JPO. If one good shares a similar group code with another, these goods are presumed to be similar under the current Japanese trademark practices.

#### 1. VIRTUAL GOODS

#### 1.1 Examples of Acceptable Indications Before and After the guidelines were published

Class 9	Downloadable computer programs for displaying clothing in virtual environments (11C01); Downloadable image files for displaying clothing in virtual environments (24E02; 26D01).
Class 41	Providing online images for displaying clothing in virtual environment (41E02);
Class 42	Providing computer programs on data networks for displaying clothing in virtual environments (42X11).

<sup>&</sup>quot;Clothing" in the above indications can be replaced with other acceptable indications of goods listed in the JPO's Examination Guidelines for Similar Goods and Services.

#### 1.2 Examples of Acceptable Indications After the guidelines were published

Class 9	Downloadable virtual clothing (11C01; 24E02; 26D01).
Class 35	Online retail services for downloadable virtual clothing (11C01; 24E02; 26D01; 35K08; 35K15; 35K99).

The JPO does not accept indications such as "virtual clothing" alone, as these were not widely recognized by the general public. However, the adoption of these terms into the alphabetical list of the International Classification of Goods and Services, 12th edition, version 2024, ensures their acceptability in Japan for harmonization with international practices.

#### 1.3 Examples of Unacceptable Indications

The following are examples of indications deemed unacceptable.

#### 1.3.1 Broad or unclear terms:

Class 9	Downloadable virtual goods; Downloadable virtual livingware; Downloadable computer programs/image files for displaying goods in virtual environments.
Class 35	Retail services for downloadable virtual goods; Retail services for downloadable virtual foods and beverages.
Class 41	Providing online images for displaying goods in a virtual environment.
Class 42	Providing computer programs on data networks for displaying goods in virtual environments.

#### 1.3.2 Terms similar but not identical to acceptable indications mentioned above:

- 5	,	
	Class 9	Virtual clothing; Virtual goods featuring clothing; Downloadable virtualized clothing; Downloadable virtual equivalent of clothing.
8		Downloadable virtual equivalent of clothing.
	Class 35	Retail services for virtual clothing; Retail services for virtual goods featuring clothing; Retail services for downloadable virtualized clothing; Retail services for downloadable virtual equivalent of clothing.

#### 1.3.3 Misclassified terms in classes other than Class 9:

Class 25 Downloadable virtual clothing; Virtual clothing.

#### 2. SERVICES RELATED TO VIRTUAL ENVIRONMENTS

#### 2.1 Examples of Acceptable Indications Related to Providing the Virtual Environment Platform

Class 38	Providing chatrooms in virtual environment (38A01); Providing online virtual environment-based forums for work collaboration (38A01).
Class 42	Hosting virtual environments (42X11); Hosting software platforms for virtual environment-based work collaboration (42X11).

#### 2.2 Examples of Acceptable Indications Related to Providing Services on the Virtual Environment Platform

Class 35	Advertising for others in virtual environments (35A01).
Class 36	Online banking services rendered in virtual environments (36A01).

Class 41 Simulated travel services provided in virtual environments for entertainment purposes (41F06); Entertainment services provided in virtual environments (41E01-41E05; 41F01; 41F06; 41G01-41G04; 41K01);

Online game services provided via virtual environments (41K01; 41Z99);

Providing in-game items especially for use in online games provided via virtual environments (41K01; 41Z99).

If the purpose or result of the service remains unchanged compared to its real-world equivalent, the same similar group code (s) applies. For example, "advertising for others in virtual environments" and "advertising" in Class 35 share the same similar group code, 35A01.

#### 2.3. Examples of Unacceptable Indications

Class 43 Providing food and beverages in virtual environments.

This term is unacceptable because it does not involve consuming real food and beverages, differing from the purpose of "providing food and beverages" in Class 43 (42B01). Instead, such services should be indicated as "simulated restaurant services provided in virtual environments for entertainment purposes" in Class 41 (41K01: 41Z99).

#### 3. THE GOODS AND SERVICES RELATED TO NON-FUNGIBLE TOKENS (NFTs)

#### 3.1 Examples of Acceptable Indications

- Class 9 Downloadable computer software applications for minting non-fungible tokens [NFTs] (11C01); Downloadable digital image files authenticated by non-fungible tokens [NFTs] (24E02; 26D01).
- Class 25 Clothing authenticated by non-fungible tokens [NFTs] (17A01-17A04; 17A07).
- Class 35 Retail services relating to downloadable digital image files authenticated by non-fungible tokens [NFTs] (24E02; 26D01; 35K15; 35K99);

  Provision of an online marketplace for buyers and sellers of downloadable digital image files authenticated by non-fungible tokens [NFTs] (35B01).
- Class 36 Management of cryptocurrency authenticated by non-fungible tokens [NFTs] (36A01).
- Class 42 Providing online non-downloadable computer software for minting non-fungible tokens [NFTs] (42X11).

#### 3.2 Examples of Unacceptable Indications

The following indications are unacceptable in any class because the term "non-fungible token (NFT)" is used for multiple meanings. These meanings include "digital data that cannot be falsified or tampered with" and "something valuable that is not a reproduction, such as artwork, embedded with information proving its uniqueness." As such, the term is ambiguous and unclear.

- ✓ Non-fungible tokens [NFTs]
- √ Non-fungible tokens
- ✓ NFTs
- ✓ Online retail services for non-fungible tokens [NFTs]
- ✓ Provision of an online marketplace for buyers and sellers of non-fungible tokens [NFTs]
- ✓ Providing online non-fungible tokens [NFTs]

The guidelines apply to all pending trademark applications as of March 29, 2024, and to applications filed thereafter.

#### **II**. Key Developments in Japanese Trademark and Design Practice

#### 2. FAQs about the Letter of Consent System in Japan

SATO, Shunji TMI Associates

#### Q. When did the law come into effect?

A. April 1, 2024

#### Q. What section of the Trademark Law provides?

A. Article 4 (4)

#### Q. Is there an examination guideline or manual for the LOC?

A. The Japan Patent Office ("JPO") has published an updated English version of the Examination Guidelines for Trademarks ("<u>Guidelines</u>") and the Trademark Examination Manual ("<u>Manual</u>") regarding the examination of LOC.

**(**Guidelines Chapter 19**)** 

Article 4(4) (Exceptions to another person's registered trademark applied for prior to the filing date of the trademark application concerned)

[Manual 42.400.01]

Handling of Examinations Concerning Exceptions to Another Person's Registered Trademark Applied for Prior to the Filing Date of the Trademark Application Concerned

[Manual 42.400.02]

Handling of Materials Relating to Claims under Article 4(4) of the Trademark Act

#### Q. When can the LOC be submitted?

A. It is possible to submit an LOC while the trademark application is under examination. Generally, documents relating to an LOC are submitted in response to a Notice of Reasons for Refusal claiming that the mark falls under Article 4(1)(xi). However, if the applicant is aware of a similar prior registered mark in advance, it is possible to submit the required documents when filing the trademark application or at some other time before the Notice of Reasons for Refusal is issued.

#### Q. What information is required for the LOC to be accepted?

- **a)** LOC (Manual 42.400.02, 1. (1) and (2))
  - a-1) Name and address of the prior trademark owner
  - a-2) Registration number of the prior trademark
  - a-3) A statement saying that the prior trademark owner has agreed to the registration of the junior trademark
  - a-4) Application number of the junior trademark
  - a-5) Designated goods/services and classifications of goods and services

## b) Documents that demonstrate there is no likelihood of confusion between the two trademarks considering the following factors. (Guidelines Chapter 19: 4(3), Manual 42.400.02, 2)

- b-1) Degree of similarity between both trademarks
- b-2) Degree of well-known status of the trademark
- b-3) Whether the trademark consists of a coined word or has a distinctive feature in its composition
- b-4) Whether the trademark is a house mark
- b-5) Possibility of multiple management in the company
- b-6) Relationship between goods, between services, or between goods and services
- b-7) Commonality of consumers of goods, etc.
- b-8) Manner of use of the trademark and other actual state of transactions

#### Q. Is there a specific LOC form?

A. Yes. JPO provides a sample LOC form at Manual 42.400.02, but parties are not required to use this form.

#### Q. Does JPO have to grant trademark registration if the LOC is submitted?

A. No. Even if an LOC is submitted, an application may still be rejected if the examiner determines, based on the materials submitted by the applicant, that there is still a likelihood of confusion. However, in such cases, the examiner is generally expected to first request additional materials from the applicant rather than immediately issuing a final rejection.

#### Q. Are signatures and seals required for the LOC? Is notarization or legalization required?

A. No. For the LOC and other submitted documents, it is not necessary to provide originals; copies are sufficient, and no signatures or seals are required. Notarization and legalization are also unnecessary. However, if doubts arise regarding the existence or authenticity of the originals, the examiner may request submission of the original documents or additional materials.

#### Q. What makes an LOC unacceptable?

A. Submitting an LOC alone is unacceptable. It is also necessary to submit documents proving that there is no likelihood of confusion. If these documents are not provided, then the LOC will not be accepted, even if it is submitted.

#### Q. Is the LOC acceptable for double identity cases (Identical trademark / Identical goods and services)?

A. No. When the junior mark is identical to the prior trademark and is intended for use with identical designated goods or services, it is generally determined that there is a high likelihood of confusion arising. This applies only when the descriptions of the designated goods or services are exactly identical.

#### Q. Is a trademark application with an LOC eligible for an accelerated examination?

A. No. Applicants using an LOC are not eligible to utilize the accelerated examination system.

#### Q. Are there any cases where LOCs have been approved?

A. No. The examination of applications involving LOCs is scheduled to begin in early spring of next year (2025), and there are not currently any applications for which consent has been approved.

#### Q. Can we find out which trademarks have been registered as a result of an LOC?

A. Yes. Trademarks which have been registered as a result of an LOC will be searchable on <u>J-PlatPat</u>, and will also be available in the Trademark Gazette and the International Trademark Gazette. This will clarify that the junior mark has been registered as a result of an LOC from the holder of the senior mark.

#### Q. Can we check the LOC submitted to the JPO/KIPO in the JPO/KIPO database?

A. Yes. The submitted LOC will be searchable on J-PlatPat.

#### Q. Is there a law that prevents consumer confusion when similar marks coexist due to an LOC?

A. Yes. If the trademarks coexist as a result of the LOC, and one party's use could potentially harm the other party's business interests, it is possible to request an appropriate indication to prevent confusion between the two trademarks (Trademark Act, Article 24-4). Additionally, if one party uses a trademark in a manner that causes confusion with another party's goods or services for the purpose of unfair competition, any person may file a request for a trial for cancellation of the trademark registration (Trademark Act, Article 52-2).

#### IV. Insights on Latest Notable Trademark Cases

1. Sushi Zanmai Case – Is the introduction of a foreign restaurant an infringement of Japanese trademark rights? –

NAKAYAMA, Ken Sugimura & Partners

Rei 6 (Ne) 10031 The Intellectual Property High Court August 21, 2024

#### <u>Backgrounds</u>

The plaintiff, Kabushiki Kaisha Kiyomura has been and is running sushi restaurants nationwide in Japan with use of its registered trademarks below (P's marks) and obtained trademark registrations for those marks under Reg. Nos. 5003675, 5511447 and 5758937 in Classes 30 (sushi etc.) and 43 (restaurant services).

The defendants, Daisho Japan K.K. has been and is running business of the import, export, and sale of seafood and processed seafood products, as well as the operation and management of general cafeterias and business guidance.

Daisho Japan is a wholly-owned subsidiary of Daisho Singapore (Daisho (Singapore) PTE LTD) and is a part of the Daisho Group, which also includes companies based in Thailand and Malaysia. The Daisho Group handles the procurement of food ingredients in Japan and exports them to its subsidiaries in Southeast Asia.

Super Sushi SDN. BHD (Super Sushi), is a company based in Malaysia and a member of the Daisho Group. It operates a restaurant named "Sushi Zanmai" in Malaysia and imports Japanese food ingredients from Daisho Japan.

The defendant displayed each of Defendant's marks (D's marks) shown in the below on each of its web pages from at least December 2014.

Plaintiff's registered trademarks:

Reg. No. 5003675



Reg. No. 5758937

"SUSHI ZANMAI".

Reg. No. 5511447

"すしざんまい(sushi zanmai in Japanese)"

Defendant's marks:



The plaintiff initiated a lawsuit against the defendant, relying on trademark infringement and violation of the

Unfair Competition Prevention Act for the defendant's conduct.

The Tokyo District Court or the first instance held trademark infringement and then the defendant appealed to the IP High Court.

#### Conclusion

The IP High Court overturned the decision of the first instance and held that the defendant is not liable for either of trademark infringement and violation of the Unfair Competition Prevention Act.

#### Reasoning

- 1) Trademark Infringement
- 1)-1 Trademark use?

The issue here is whether the defendant(appellant)'s conduct of displaying D's marks on the webpages in its website which also refers to the Super Sushi in Malaysia, constitute "use" or "advertisement" for sushi restaurant service as prescribed in Sec. 2(3)(viii) of the Trademark Act

Here, as a whole, the defendant website at issue is recognized as mainly introduces, in Japanese, that the Daisho Group, including the defendant, operates a chain of restaurants serving Japanese food in Southeast Asia, and is engaged in the business of exporting fresh, high-quality foodstuffs from Japan for serving at the restaurants while D's marks are displayed at the end of webpage together with a brief reference to the sushi restaurant Sushi Zanmai of the Super Sushi in Malaysia.

Thus, the defendant's webpages at issue should be recognized as advertisements for the export of food ingredients from Japan and therefore should not be recognized as advertisements for sushi restaurant services.

#### 1)-2 Use for Japanese restaurant services?

Even if the defendant's conduct is recognized as advertisement of sushi restaurant services, such advertisement is recognized as that for sushi restaurant services outside of Japan.

The defendant's marks are not used in connection with the provision of services at the sushi restaurant in Japan. Even if a consumer in Japan who sees the defendant's marks misidentifies the origin of the services provided by the defendant's marks, as long as the sushi restaurant does not provide services in Japan, the result of such misidentification (i.e., receiving the designated services from the sushi restaurant under the mistaken belief that it is the plaintiff's restaurant) will always occur outside Japan where the Japanese trademark rights are not effective. Therefore, the source idenfifying function of the plaintiff's trademark rights is not infringed in Japan.

Therefore, since there is no risk of harm to the source indication function or quality assurance function of P's marks in Japan, the act of displaying the trademarks on the web pages in question lacks substantive illegality as trademark infringement.

#### 1)-3 Independence and Territoriality of Trademark Rights

Originally, a trademark registered in one jurisdiction is considered to be independent of a trademark registered in another jurisdiction (Article 6(1) and (3) of the Paris Convention), and based on the so-called principle of territoriality, it is understood that the validity of a trademark right is limited to the jurisdiction in which it was registered.

In the case where D's marks, which are legally registered in a foreign country or Malaysia, are used on the web pages in question to indicate the provision of designated services in the foreign country, to grant an injunction, etc. against the use of D's marks based on the plaintiff's trademark rights would, in effect, be the same as restricting the lawful use of D's marks, even though the function of the trademarks in Japan has not been infringed.

Therefore, the trademark infringement to the plaintiff trademark rights in Japan shall not be recognized from

the viewpoint of independence of trademark and the principle of territoriality.

1)-4 Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet

The above interpretation is also along with the Joint Recommendation, which states that the use of a sign on the Internet constitutes use in a Member State only if it has a commercial effect in that Member State (Article 2 of the Joint Recommendation).

Here, the sushi restaurant of the Super Sushi does not provide services in Japan and there is no circumstance indicating that it has embarked on a plan to do so, and that the sushi restaurant's prices in Japanese currency are not indicated on the respective web pages at issue, and no contact information in Japan is listed on the respective web pages. Furthermore, as mentioned above, the web pages themselves are intended to advertise the service of exporting food ingredients from Japan, and D's marks are used in the context of introducing restaurant chains that use exported food ingredients outside of Japan.

Thus, the use of D's marks on each of the web pages in question cannot be said to have commercial effect in Japan and therefore should not constitute use as a trademark in Japan.

1)-5

In conclusion, there is no trademark infringement by the defendant's conduct.

2 Violation of the Unfair Competition Prevention Act

Since it is recognized that each of D's marks is used on the web pages in question to indicate one of the information related to the defendant's business of exporting food materials from Japan. Therefore, it cannot be evaluated as being used in a manner for identifying the source of restaurant services and/or distinguishing the restaurant services from others.

Thus, the use of D's marks shall not be recognized as the use of source identifier of others, so that no violation of unfair competition is recognized.

#### Remarks

In the present case, different from the first instance decision, the webpages at issue is evaluated as introducing the defendant business of operating a chain of restaurants serving Japanese food in Southeast Asia, and being engaged in the business of exporting fresh, high-quality foodstuffs from Japan for serving at the restaurants outside of Japan. The first instance found that the defendant's website was infringing because it was written in Japanese and could be viewed in Japan.

I would say the IP High Court did more elaborate study on the contents of the webpages at issue.

Furthermore, the IP High Court held that there is no substantive illegality as trademark infringement in view of the fact that the defendant has never provided any restaurant services in Japan.

In addition, the present judgment refers to the independence of trademark prescribed in the Paris Convention, the principle of Territoriality of Trademark Rights, and the WIPO's Joint Recommendation Concerning Provisions on the Protection of Marks, and Other Industrial Property Rights in Signs, on the Internet. In other words, the IP High Court paid respect to the international legal resources to reach the conclusion.

In view of the above, the present IP High Court decision could be said to make very substantive judgement in the light of harmonization of international laws.

It will be interesting to see whether the detailed elements of judgment set forth in the WIPO Joint Recommendation can serve as concrete guidelines for responding to similar cases in the future.

## IV. Insights on Latest Notable Trademark Cases2. "O!OiMAIN" and "○|○|" - Similarity of Composite Marks

YAGI, Chisako Nishimura & Asahi (Gaikokuho Kyodo Jigyo)

#### Marks in Question

## - Reg. No. 6371695 **O!OIMAIN** (the defendant's mark)

Registration date: April 1, 2021

Designated goods: "straps for mobile phones; headphones; sunglasses; etc." (Class 9), "bags; umbrellas; etc." (Class 18), and "clothing; footwear; hats; etc." (Class 25)

- Reg. No. 4640297 and other marks (the plaintiff's mark)

Registration date: January 24, 2003

Designated goods and services: Various goods and services in Classes 3, 5, 7, 8, 9, 10, 11, 12, 14, 15, 16, 18, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, and 42

The goods and services of the defendant's mark and the plaintiff's mark are similar or identical. This article focuses on the similarity of the marks.

#### JPO Trial Board, Invalidation No. 2021-890032

The plaintiff filed an invalidation trial against the defendant's registration, arguing that the defendant's mark **O!O!** and covers similar or identical goods and services (the Japan Trademark Act 4(1)xi)); and is likely to cause confusion in connection with the goods or services pertaining to the plaintiff's business, which are provided under the well-known mark (the Japan Trademark Act 4(1)xv). The plaintiff requested the defendant's registration should be invalidated.

The Trial Board recognized that the plaintiff, established in 1937 has been a retailer of apparel and fashion goods targeting the younger generation since 1972. The plaintiff sells fashion goods, furniture, sundries, glasses, jewelry, foodstuff, and provides restaurant services in their own shopping malls (fashion buildings devoted to fashion-related shops) across various cities. The plaintiff also engages in online and e-commerce

sales. The Trial Board found that the plaintiff's mark OlO , used on signage for its shopping malls and websites and pronounced as "MARUI," is well-known among Japanese consumers and traders as a mark representing the plaintiff's "MARUI" brand and the origin of its goods and services.

Despite recognizing that the plaintiff's mark **Olo MAIN** mainly for the following reasons:

• The defendant's mark **OIDIMAIN**, a combination of letters and an exclamation mark, is visually distinguishable from the plaintiff's mark of the plaintiff's mark is pronounced as "o-oi-main," while the plaintiff's mark is pronounced as "MARUI." Conceptually, the plaintiff's mark is associated with the "MARUI" brand, while the defendant's mark has no specific meaning. Therefore, the defendant's mark does not fall under Article 4(1)xi of the Japan Trademark Act.

The plaintiff's mark old is well-known among Japanese consumers and traders as a mark representing the origin of the plaintiff's goods and services and is highly unique. There is also an overlap between the plaintiff's and the defendant's goods. However, the marks old and old old main clearly differ, and the degree of similarity is low. Therefore, there is no likelihood that the defendant's mark old main would cause confusion in connection with the goods or services pertaining to the plaintiff's business provided under the well-known mark old.

Dissatisfied with this decision, the plaintiff filed an appeal with the Intellectual Property High Court (IP High Court).

Consequently, the defendant's mark does not fall under Article 4(1)xv of the Japan Trademark Act.

#### IP High Court, 2023 (Gyo-ke) 10068

The plaintiff argued on appeal that the **O!Oi** portion of the defendant's mark **O!OiMAIN** should be considered the dominant part and compared with the plaintiff's mark **O!OiMAIN** countered that their mark **O!OiMAIN** should be viewed as a whole, as it is a coined, inseparable term.

The IP High Court, like the JPO Trial Board, acknowledged the plaintiff's mark of the plaintiff's mark among Japanese consumers and traders, representing the origin of the plaintiff's goods and services and is pronounced as "MARUI." Regarding the dominant portion of the mark, unlike the JPO Trial Board, the court sided with the plaintiff. It ruled that the **OIDI** part should be compared to the plaintiff's mark, based on the following considerations:

- The evidence submitted showed that the defendant used variations of "OIOI," "OiOi," and "O!Oi" on their goods (e.g., clothing, hats, and bags) and used the mark "O!Oi COLLECTION" on their website.
- The word "MAIN" in the defendant's mark **O!OIMAIN** is a common adjective in Japanese, which is understood as "more important" and "having more influence," and lacks distinctiveness, meaning Japanese consumers and traders are less likely to focus on it.
- · Conversely, the part **O!Oi** is a coined word with no dictionary meaning and stands out as distinctive part of the mark in comparison to the "MAIN" part. Based on evidence, the defendant's use of the marks "OIOI," "OiOi," and "O!Oi" on their goods suggests that the **O!Oi** part may give a strong impression to consumers and traders as a sign of the origin of goods and services.
- · Considering the above, the **O!Oi** part can be considered dominant and emphasized when comparing the similarity with other marks.

By focusing on the **O!Oi** part, the IP High Court agreed with the plaintiff that the defendant's mark should be considered similar to the plaintiff's mark.

#### Visual Similarity

• The plaintiff's mark Comprises two circles and vertical lines, which can be interpreted as the letters "O" and "I." Furthermore, the uppercase letter "I" and the lowercase letter "i" are substantially identical.

- · In brand names, service names, company names, or stage names, it is common to replace the letters "I" and "i" with symbols like "!" that resembles these letters. Consumers generally understand the symbol "!" is visually equivalent to the letter "I" or "i." Similarly, the circle shape is easily recognized as the letter "O."
- · Considering these factors, when consumers and traders encounter the **O!Oi** portion of the defendant's mark, they may perceive is as being visually identical to the plaintiff's mark particularly when the marks are observed at different times and places rather than side-by-side.

  Therefore, the **O!Oi** portion of the defendant's mark is visually highly similar to the plaintiff's mark

#### Phonetical Similarity

• The **O!O** portion of the defendant's mark can be pronounced as "o-ai-o-ai." However, given the high visual similarity between the defendant's **O!O** and the plaintiff's mark olo (which is pronounced as "MARUI,") and considering that the plaintiff's mark is widely recognized, it is plausible that consumers would also pronounce **O!O** as "MARUI." Therefore, the marks are phonetically identical.

#### Conceptual Similarity

• The **O!Oi** portion in the defendant's mark does not convey any particular meaning. However, given its strong visual similarity to the plaintiff's well-known mark **O!Oi**, which closely resembles the plaintiff's "MARUI" brand, consumers and traders encountering the defendant's mark **O!Oi** may believe it is associated with the "MARUI" brand. Consequently, the marks are also conceptually identical.

Considering the above, the part **O!Oi** in the defendant's mark and the plaintiff's mark olo are highly similar visually, phonetically, and conceptually. Furthermore, as the plaintiff's mark olo , which is well-known among consumers and traders, can be considered visually identical to **O!Oi** , the use of both marks on identical or similar goods would likely cause confusion regarding the origin of the goods.

In conclusion, the IP High Court ruled that the defendant's registration for the mark **O!OiMAIN** should be invalidated, as it falls under Article 4(1)xi of the Japan Trademark Act.

#### Comments

The JPO Trial Board's decision to reject the plaintiff's claims that the plaintiff's mark Olomann are similar aligns with past precedents, and seems to be more in line with the JPO's usual practice. However, the specific circumstance of this case—such as the recognition of the plaintiff's mark among Japanese consumers and traders as a brand of a shopping mall handling fashion and apparel products mainly for the younger generation, and the defendant's use of similar variations like "OIOI," "OiOi," and "O!Oi" on their goods, which resemble the plaintiff's mark Oloi—suggest possible bad faith by the defendant. This case highlights the importance of considering the reputation of the prior mark and potential bad faith when assessing the similarity of marks. It also shows how unique circumstances can lead courts to deviate from standard precedents.

#### IV. Insights on Latest Notable Trademark Cases

#### 3. The Japan IP High Court approved the "Godzilla" 3D shape as a Trademark

IIDA, Haruka TMI Associates

#### **Case Number**

#### [IP High Court 2024 (Gyo-ke) 10047]

On October 30, 2024, the Japan Intellectual Property (IP) High Court overturned the Japan Patent Office (JPO)'s decision not to register the three-dimensional (3D) shape of the eponymous character from the film "Shin Godzilla" as a trademark.

#### 1. Examination History

On September 29, 2020, Toho Co. ("Toho") filed a trademark application for the 3D shape of Godzilla's fourth form in the film "Shin Godzilla" as a trademark for "stuffed toys, figures, dolls, and toys" in Class 28 (TM App. No. 2020–120003). The application was rejected for lack of distinctiveness. The applied-for mark ("Godzilla Mark") is as follows:



Toho appealed the rejection at the JPO Trial and Appeal Board (Appeal No. 2021–111555), arguing that the Godzilla Mark had acquired distinctiveness. The appeal was dismissed for the following reasons:

- (i) The sales period of Godzilla's fourth form figures (the "Figures") was approximately seven years, which the board deemed insufficient to establish distinctiveness.
- (ii) The sales figures include data from licensees, and Toho's specific sales figures cannot be ascertained.
- (iii) Given the market size (JPY 824.4 billion in FY2020 and JPY 890 billion in FY2021), the Figures' market share was deemed low.
- (iv) The Godzilla Mark was not widely used in advertising to emphasize its three-dimensional shape as a trademark, and no evidence was provided regarding the duration, scale, or cost of advertising.
- (v) A survey conducted by Toho indicated that the 3D shape of the Godzilla Mark "can be presumed to be

- recognized to a certain extent" by the public. However, the board could not confirm the degree of association between the Godzilla Mark and Toho.
- (vi) Based on the above, the board concluded that the Godzilla Mark has not acquired distinctiveness.

#### 2. Decision of the IP High Court

The IP High Court affirmed that the Godzilla Mark falls under Article 3(1)iii of the Trademark Law but reversed the JPO's decision on acquired distinctiveness, citing the following reasons:

- (i) While the 3D shape of the *Shin Godzilla* differs in overall proportions and colors from earlier Godzilla, the impact of the entire "Godzilla" film series on consumers' perceptions must be considered when determining acquired distinctiveness.
- (ii) The following factors demonstrated that the Godzilla Mark had acquired distinctiveness for the designated goods:
- Sales of 1.02 million Figures, generating approximately JPY 2.65 billion.
- The basic shape of *Shin Godzilla* closely follows the overall design of the previous Godzilla characters, widely recognized as Toho's creation by general consumers.
- The term "Godzilla" has become well-known as the name of the monster in the *Godzilla* series and has been consistently used to identify the character throughout the franchise.
- Toho's survey showed that 64.6% of respondents identified the figure as "Godzilla" or "Shin Godzilla" when shown a photograph of the Godzilla Mark.
- (iii) "In this case, even before the use of the trademark, there existed a special circumstance in which the products of the Godzilla character, of which Toho was the main merchandizer, had been widely and deeply penetrated by consumers, and the 3D shape of the trademark was recognized as being continuous with such products."
- (vi) Use by a licensee "should also be understood to be included in 'use' within the meaning of Article 3(2) of the Trademark Law if the manner of use of the trademark is properly controlled by the applicant so that consumers can recognize it as the applicant's goods."

#### Conclusion

This decision establishes that the influence of the entire "Godzilla" film series, including "Shin Godzilla," must be considered when evaluating consumers' perception of acquired distinctiveness. The court recognized the necessity of accounting for the fame of the character itself in such cases. While this ruling does not imply all 3D shapes of characters are eligible for trademark registration, it serves as a valuable reference for determining the registrability of 3D shapes of characters in Class 28 in the future.

#### V. Highlights of IP High Court and District Court Cases

TAKENAKA, Yosuke Baker MacKenzie

#### 1. Hermes Color Mark Case (Hermes v. JPO)

[IP High Court Case 2023(Gyo-ke)10095 on March 11, 2024] (A lawsuit against the final rejection of the JPO Trial and Appeal Board decision)

Trademark in question	Class and Goods/Services
	Classes 3, 14, 16, 18, and 35
	Class 3: Perfumes, perfumery, fragrances and perfumes, body lotions, body deodorizing cosmetics, bath and shower gels, aftershave lotions, leather creams
	Class 14: Jewelry, necklaces, bracelets, rings, earrings, pendants, charms for jewelry, watch accessories, watches, clocks, watch bands, key chains, scarf clasps for jewelry
	Class 16: Paper boxes, paper bags, paper wrapping bags, wrapping paper, stationeries, diaries, photo frames, passport holders
	Class 18: Handbags, travel bags, backpacks, beach bags, shoulder bags, wallets, purses, card cases, briefcases, leather key cases, leather purses, suitcases, pouches for cosmetics, small clutch bags, riding tack, saddlery, horse tack, horse blankets, saddle covers, saddle underlay cloths, umbrellas, riding crops, umbrellas
	Class 35: Retail and wholesale services regarding the above goods

#### (1) Executive Summary

The IP High Court upheld the JPO Trial and Appeal Board's decision that the trademark in question (the "Trademark") was indistinctive/not registrable, and the Trademark had not acquired distinctiveness.

#### (2) The JPO Trial and Appeal Board Decision

The JPO Trial and Appeal Board has rejected the Trademark because of a lack of distinctiveness, stating as follows:

The Trademark consists only of the colors orange and brown, applied to a box-shaped object. The colors have no specific shape or outline. Typically, the colors used on their products or their packaging are selected to enhance the product's image or aesthetic appeal. The colors are not recognized as indicators of the product's origin. No evidence suggests otherwise in the relevant field. Additionally, similar color combinations are commonly used in the industry, making the Trademark not particularly unique. Therefore, the Trademark is considered a common representation of the product's characteristics (color) and does not indicate the origin of the goods or services. Consequently, the Trademark should be rejected because of the lack of distinctiveness of the trademark.

Additionally, the JPO Trial and Appeal Board did not accept the plaintiff's argument on the "acquired distinctiveness of the trademark."

The evidence provided fails to clarify the quantity of packaging boxes. Moreover, it does not confirm the long-term and continuous use of the design in advertisements, as seen with trademarks featuring the "HERMES" text and logo. Use of the design on the applicant's website lacks data on access numbers, and use in advertisements or as part of event or store decorations is limited geographically. Additionally, the use of the trademark or its colors often bears the

"HERMES" text or logo. This draws significant attention and undeniably acts as an indicator of the product or service origin.

#### (3) The IP High Court Decision

The IP High Court ruled that the trademark fails to meet the requirements for registration under the Trademark Act. They provided the following statement:

The "HERMES" brand has sold products in Japan for about 60 years, using the trademarked packaging box (known as the "Orange Box") for various products. This brand's advertisements and promotional materials frequently feature this packaging, which reinforces its association with the "HERMES" brand. However, the court noted that the Trademark's recognition among general consumers—the target audience for the designated goods and services—is not sufficiently demonstrated by the provided evidence, including the survey results.

The surveys conducted by the plaintiff included high-income individuals and those interested in luxury fashion brands, which do not represent the general consumer base for the designated goods and services. Moreover, the survey questions included leading information, which makes the results less reliable as evidence of the trademark's distinctiveness.

#### 2. 美容医局 (Cosmetology Medical Bureau) Case

[IP High Court Case 2023(Gyo-ke)10050 on February 5, 2024] (A lawsuit against the final rejection of JPO Trial and Appeal Board decision)

Trademark in question	Class and Goods/Services
美容医局	Class 35: Employment agency services, etc.
(Translation of the mark: "Cosmetology Medical Bureau")	

#### (1) Executive Summary

The defendant, known previously as "SS Facilities Co., Ltd." ("SSF") acquired the domain name "biyouikyoku.com" in 2012. SSF then began using the cited trademark for their own service. This plaintiff ("XCO"), involved in related administrative tasks, registered for SSF's membership service in 2019 and later filed for trademark registration in 2020. XCO applied for the "Biyou-Ikyoku" trademark in 2020 and obtained a registration for the mark in 2020. SSF filed an invalidation trial against XCO's registration, and the Trial and Appeal Board of the Japan Patent Office issued a decision invalidating XCO's registration in 2023. The court found that XCO was aware of SFF's use of the trademark. XCO filed for registration, with the intention of causing confusion and gaining an unfair advantage. The court ruled that XCO's trademark registration was invalid because of its lack of social appropriateness and its intention to disrupt SSF's business.

#### (2) Facts

- The owner of the prior unregistered trademark ("Prior Unregistered Trademark Owner" or "SSF") uses the trademark "美容医局" (Cosmetology Medical Bureau) for a paid employment agency service for cosmetic surgery and dermatology specialists.
- The Prior Unregistered Trademark Owner (SSF) acquired the domain name "biyou-ikyoku.com" on August 29, 2012. Around that time, they launched a job site for cosmetic clinic specialists displaying the trademark "美容医局" (Cosmetology Medical Bureau). The service business has continued to date.
- Total sales of paid employment agency services for doctors in fiscal year 2019 were approximately 21.2 billion yen. Cosmetic surgeons and dermatologists comprised about 4.7% of the total doctors, estimating their sales at around 1 billion yen. The service in question accounted for a significant share of this market in fiscal year 2019.
- In fiscal year 2020, the total sales for paid employment agency services for doctors were approximately 22.7 billion yen, with cosmetic surgeons and dermatologists estimated at around 1.067 billion yen. Moreover, the service in question held a significant market share in fiscal year 2020.
- From fiscal year 2015 to fiscal year 2018, the total sales of paid employment agency services for doctors increased significantly. Moreover, the sales of the service in question also increased at a higher

- rate compared to the overall market growth.
- The number of new doctors registered for the service each year from 2013 to 2020 was significant, with a cumulative total of several thousand by 2020.
- The Prior Unregistered Trademark Owner (SSF) held various seminars, including job change support and skill-up seminars, for registered cosmetic medical professionals.
- The service was advertised on the internet using the cited trademark, with a significant number of displays and clicks.
- An internet article ranked the service as the top recommended job placement agent for cosmetic surgery and dermatology, with a significant share of the total job listings.

#### (3) IP High Court Decision

- By around 2020, SSF's service was used widely by doctors seeking to switch to cosmetic surgery or dermatology and by medical facilities seeking such doctors. The *prior unregistered trademark* was widely recognized among the target audience as representing the service.
- XCO argued that SSF's service was less well-known based on its share of the paid employment agency market for doctors. However, given the small proportion of cosmetic surgeons and dermatologists among all doctors, the low overall market share does not imply low trademark recognition.
- The court found no error in the decision regarding the well-known status of the cited trademark. Hence, XCO's claim was dismissed.

#### 3. The Tibet Tiger Case

[IP High Court Case 2023(Gyo-ke)10116 on February 28, 2024] (A lawsuit against the final rejection of JPO Trial and Appeal Board decision)

Trademark in question	Class and Goods/Services
Tibet Tiger	Class 27: Carpets, rugs, mats, yoga mats, textile wallpaper, wall coverings (excluding textile)

#### (1) Facts

- o The plaintiff applied for trademark registration of the standard character mark "Tibet Tiger" for goods in Class 27. This includes carpets, rugs, mats, yoga mats, textile wallpaper, and wall hangings (excluding textile ones).
- o However, the plaintiff received a refusal decision because of a lack of distinctiveness from the Japan Patent Office. The plaintiff filed an appeal with the Trial and Appeal Board.
- o The Trial and Appeal Board issued a decision of rejection.
- o Seeking to overturn this decision, the plaintiff filed this lawsuit with the IP High Court.

#### (2) Summary of the Trial and Appeal Board's Decision:

- The trademark "Tibet Tiger" is easily understood and recognized as "Tiger of Tibet" overall. Considering the trade situation of "carpets, rugs, mats," the trademark "Tibet Tiger" used for goods produced or sold in Tibet with tiger patterns or shapes would be understood by traders and consumers as merely indicating the origin or quality of the goods and not as a distinctive mark.
- The plaintiff's claim that they used the trademark earlier than others and contributed to its reputation was not objectively recognized. Even if the plaintiff use it earlier, the trademark does not have distinctiveness.
- Therefore, the trademark should be indistinctive and thus not inherently registrable.

#### (3) IP High Court

In conclusion, the IP High Court found no grounds for canceling the decision. Therefore, the plaintiff's claim was dismissed, stating the following:

- (i) Regarding the distinctiveness of the trademark:
  - o Article 3(1)(3) prohibits the registration of trademarks that consist solely of marks indicating the origin, quality, etc., of goods in a commonly used manner. This prevents monopolization by specific individuals and because such marks generally lack distinctiveness.
  - o The plaintiff argued that "Tibet Tiger" is a coined term and not a direct indication of origin or quality. However, "Tibet" and "Tiger" are common English words, and the combination is easily

- understood as "Tiger of Tibet." The court found no error in the decision's judgment.
- o The plaintiff's evidence did not sufficiently prove that "Tibet" is not well-known or that "Tibet Tiger" is a coined term.
- (ii) Regarding the Acquired Distinctiveness:
  - o The plaintiff claimed long-term use of the trademark. However, the evidence did not sufficiently prove that consumers recognized the goods as those of the plaintiff's business.
  - o The trademark "Tibet Tiger" is different in appearance and pronunciation from the plaintiff's used mark "Tibetan Tiger." Moreover, there is no sufficient evidence of use and sales volume.

#### **VI** . Highlights of Trial and Appeal Board Decisions

SAKUMA, Yoko
ESAKI & ASSOCIATES
IGARASHI, Shizuka
Eikoh, P.C.
SAITO, Megumi
FUKAMI PATENT OFFICE, P.C.

## 1. Similarity Between Marks and the Likelihood of Confusion (Article 4(1)xi of the Japan Trademark Act) [Appeal]

Appeal No.	Trademark in question	Decision	Prior Trademark(s)	Goods/Services (Classes)	Reason
2022- 17026	AEROFOAM	≠ (Dissimilar)	AIR FOAM エアーフォーム	"Cosmetics, shampoos," etc. in Class 3	The trademark in question consists of the word "AEROFOAM" in alphabet whereas the prior trademark consists of the word "AIR FOAM" and its katakana in two columns. The two marks differ in the second letter ("E" and "I") and fourth letter ("O" vs. a space), creating distinct visual impressions. Phonetically, the trademark in question is pronounced as "AEROFOAM," while the cited trademark is pronounced as "AIRFOAM." As consumers focus on prefixes for phonetic distinction, the difference in prefixes is sufficient to differentiate the two marks. Conceptually, the trademark in question is a coined word with no inherent meaning, while the cited trademark refers to "air bubbles." Accordingly, the trademarks are clearly distinguishable in terms of appearance, pronunciation, and connotation, and there is no likelihood of confusion between them.

Appeal No.	Trademark in question	Decision	Prior Trademark(s)	Goods/Services (Classes)	Reason
2023- 2163	_Aisan_	≠ (Dissimilar)	AISAN	"Computer software design, computer programming, or maintenance of computer software" in class 42	Comparing the trademark in question with the cited trademark, both include the term "Aisan (AISAN)" in their composition. However, the differences in font and the graphic elements result in distinct visual impressions. Phonetically, both trademarks share the pronunciation "Aisan," but conceptually, neither evokes a specific idea, making them incomparable in this aspect. Despite the shared pronunciation, the clear differences in appearance ensure there is no likelihood of confusion. Taking all these factors into account, even if the trademarks are used for the same or similar services, they cannot be considered similar and there is no likelihood of confusion regarding their origin.
2022- 12258		≠ (Dissimilar)	NON	"Clothing," and so on in Class 25	The trademark in question features a star-shaped figure, a mountain-shaped figure, two ∩ symbols, a circle, and a downward-pointing arc, forming an integrated, personified house design. Consumers and traders encountering the trademark would recognize it as an integrated, inseparable whole. There are no special circumstances suggesting that consumers would focus only on the two ∩ symbols and the circle. Furthermore, there is no evidence or circumstance to indicate that the trademark in question is recognized or associated with any specific meaning or concept in Japan. Hence, it is reasonable to conclude that the star-shaped, mountain-shaped, and downward-pointing arc-shaped figures, along with the overall design, cannot be disregarded when evaluating the trademark's distinctiveness, focusing only on the two ∩ symbols and the circle. Given these considerations, the trademark in question does not generate a specific pronunciation or concept as a whole. Thus, the trademark in question and the cited trademark cannot be deemed similar.
2023- 396	UTG+	≠ (Dissimilar)	UTG	"Display monitors for computer," and so on in Class 9	The term "UTG" is commonly recognized as an abbreviation for "ultra-thin glass," which is used as a raw material for the designated goods. Even if the distinctiveness of "+" symbol is weak, signifying a higher-grade product, "UTG" itself is also less distinctive. Hence, the trademark in question should be recognized as a single entity composed of two weakly distinctive elements. Thus, the trademark in question and the cited trademark should be considered dissimilar.

#### [Opposition]

Opposition No.	Trademark in question	Decision	Prior Trademark(s)	Goods/Services (Classes)	Reason
2023-900009	LABROTAN	≠ (Dissimilar)	LUBRITAN	"Tannin, chemicals," etc. in Class 1	The trademark in question and the cited trademark differ in the second letters ("A" vs. "U") and the fifth letters ("O" vs. "I"). These differences in spelling create a significant visual distinction, particularly since both marks consist of only eight letters. Phonetically, the trademarks differ in their initial syllables ("la" vs. "lu") and second syllable ("bro" and "bri"). Given the small number of syllables in each trademark, these differences are sufficient to distinguish them. Although the two marks cannot be compared conceptually, the distinct differences in appearance and pronunciation eliminate any likelihood of confusion.
2023- 900136	REAXION]	≠ (Dissimilar)	ZEAXING	"Sports articles" in Class 28	The trademark in question consists of the letter "REA" on the left and "ION" on the right, with a frame around the text and a light blue diagonal line forming an "X" between "REA" and "ION." The overall design creates the impression of the word "REAXION." In contrast, the cited trademark is "REAXING," featuring a slightly stylized "R" design followed by "EAXING." The stylistic differences between the two trademarks set them apart visually. While both trademarks consist of the same number of letters, the sixth and seventh letter differ ("ON" and "NG"). Phonetically, the difference in the latter portion of the words significantly impacts their overall pronunciation, especially since both consist of a small number of syllables. These differences in appearance and pronunciation ensure no likelihood of consumer confusion.
2023- 900250	koko	≠ (Dissimilar)	СоСо	"Educational and instruction services relating to arts, crafts, sports, or general knowledge" in Class 41	Although the trademark in question, "koko," and the cited trademark, "CoCo," are pronounced identically in Japanese, they differ visually in their first and third letters ("k" vs. "C"). Additionally, the cited trademark means "(coco) coconut palm, coconut palm tree," while the trademark in question is a coined term without inherent meaning. Considering the comprehensive differences in pronunciation, appearance, and meaning, the trademarks are dissimilar, and there is no likelihood of confusion.

#### [Invalidation]

Appeal No.	Trademark in question	Decision	Prior Trademark(s)	Goods/ Services (Classes)	Reason
2020- 890022	ACTAL	= (Similar)	ACTAL	"Fine-grained activated white clay" in Class 1 (Similarity Code: 06B01)	The designated goods of the cited trademark are "acid clay catalyst" and "chemicals for industrial use" in Class 1 (Similarity code: 01A01), and the applied goods of the trademark in question, "fine-grained activated white clay," should be considered similar. Both goods share the same traders and consumers and are distributed through the same market channels. As such, there is a risk that the goods may be perceived as being manufactured or sold by the same entity.  (a) Similarity between the applied goods and "chemicals for industrial use"  "Fine-grained activated white clay" is a chemical product used for industrial purposes. Specifically, "activated white clay" serves as an adsorbent, decolorizer, and catalyst in industries such as petroleum, brewing, oil and fat processing. These uses overlap with those of "chemicals for industrial use," designated in the cited trademark. Therefore, the applied goods are included within the scope of "chemicals for industrial use," making them similar.  (b) Similarity between the applied goods and "acid clay catalyst"  "Activated white clay" is commonly used as an acid clay catalyst in industrial applications. The function, quality, raw materials, and use of "fine-grained activated white clay" align closely with those of "acid clay catalyst," which is part of the cited trademark's designated goods. This alignment further supports the similarity between the goods.

## **2.** Distinctiveness of Marks (Article 3 of the Japan Trademark Act) [Appeal]

TAbbea	[Appeal]							
Appeal No.	Trademark in question	Goods/Services in question (Classes)	Registered?	Reason				
2022- 13874	matte hard	"Cosmetics, hair waxes," etc. in Class 3	No (Refused)	In the hair styling products industry, the term "matte" is understood to describe a texture without luster or gloss, while "hard" refers to a product that provides a firm hold. The combination "matte hard" or "matte & hard" is commonly used to indicate a product that delivers both a matte texture and a hard finish. When the trademark in question is applied to cosmetics, hair waxes, shampoos, conditioners, and treatments, consumers are likely to interpret it as describing the product's quality, specifically a glossy, lustrous texture with a hard finish that helps maintain a hairstyle.				
2022- 650100	CLEAN-ICAL	"Cosmetics, particularly face, body and hand creams, milks, lotions, gels and powers; tanning and after-sun milks, gels and oils (cosmetics); make-up products" in Class 3	Yes (Registered)	The trademark in question, "CLEAN-ICAL," consists of the words "CLEAN" and "ICAL" joined by a hyphen. This term is not listed in any dictionary, nor is it familiar to the public. Instead, it is recognized as a coined word with no specific meaning. Additionally, there is no evidence to suggest that the trademark in question is commonly used as a direct indication of the quality or characteristics of goods.				

Appeal No.	Trademark in question	Goods/Services in question (Classes)	Registered?	Reason
2022- 12082	GAME FOR YOU	"Computer software" and so on in class 9 and other services in classes 41 and 42	Yes (Registered)	The trademark in question, "GAME FOR YOU," evokes a vague impression, such as "a game intended for the user." However, the Board of Appeal, even after conducting an ex officio investigation, could not find evidence that "GAME FOR YOU" is a commonly used advertising slogan or catchphrase for goods or services. Furthermore, no circumstances were found suggesting that consumers would immediately recognize it as such.
2022- 17913	True Color	"Provision of images via communication lines (excluding satellite images, images created by means of a method that identifies colors by 24-bit or 32-bit values, and motion pictures); provision of images via communication by using potable information terminals (excluding satellite images, images created by means of a method that identifies colors by 24-bit or 32-bit values, and motion pictures)" in Class 41	No (Refused)	The term "True Color" is commonly understood in the IT field to mean a method of displaying colors on a computer, identified by 24-bit or 32-bit values. The designated services for the trademark in question relate to the provision of images in the IT field. Even after amendments to exclude images created by the 24-bit or 32-bit method, relevant consumers, including specialists in the IT industry, are likely to associate the images provided with this specific method.  Although the applicant argued that general consumers may interpret "True Color" differently, the relevant consumers include IT specialists who are likely to understand the term as descriptive of the content of the designated services. Therefore, the trademark in question is merely descriptive of the quality or content of the services.
2023- 1066	Eye Shampoo <i>Refresh</i>		No (Refused)	In the field of eyelash products, terms like "eye shampoo" are commonly used to describe shampoos or cosmetics for cleaning eyelashes. Similarly, "refresh" is widely understood to describe a product's refreshing effect. The trademark in question is therefore likely to be perceived as describing the product's quality—specifically, a refreshing shampoo for eyelashes. Additionally, the use of block fonts, brush-style fonts, and blue colors on product packaging is not particularly distinctive and falls within common industry practices.

[Opposition]

C - 1-1	[Obboardon]						
Opposition No.	Trademark in question	Goods/Services in question (Classes)	Maintained?	Reason			
2022- 900406	Lithium-ion	"Forklift trucks equipped with lithium-ion batteries and their parts and accessories; forklift trucks and their parts and accessories; electric vehicles and their parts and accessories; electric vehicles and their parts and accessories in Class 12	No (Canceled)	The term "lithium" has long been widely recognized as referring to the material used in lithium-ion batteries. Even before the decision to register the trademark in question, "lithium-ion batteries" were commonly associated with electric automobiles, hybrid vehicles, and forklifts, highlighting their growing relevance due to the electrification of the automotive industry. When applied to the designated goods, the trademark in question would likely have led traders and consumers to recognize the goods as those using lithium-ion batteries. For goods not using lithium-ion batteries, the trademark could cause confusion about the quality of the products.			

## 3. Well-Known Marks Among Consumers in or outside Japan (Article 4(1)x, xv & xix of the Japan Trademark Act)

[Appeal]

oeal lo.	Trademark in question	Registered?	Prior Trademark(s)	Goods/Services (Classes)	Reason
24-	Uber Finish	Yes (Registered)	Uber	"Providing friends or introduction to the opposite sex via the Internet or providing information related to these activities," in Class 45.	Considering the following factors comprehensively, the use of the trademark in question is unlikely to evoke or suggest a specific connection with the cited trademark, as if the services provided originated from the same entity or one with an economic or organizational relationship to the cited trademark's owner. There is no likelihood of confusion, and the trademark in question does not fall under Article 4(1)xv of the Trademark Act.  (a) Degree of similarity between trademarks:  While both marks share the term "Uber," the trademark in question is represented in the same font and size in a single line and should always be viewed as a unit. The presence or absence of the term "Finish" creates distinct differences in appearance and pronunciation. Since neither mark conveys a specific concept, they cannot be compared in terms of meaning. Overall, the degree of similarity between the marks is low.  (b) Relevance between the goods/services: The applied services pertain to the adult entertainment business, while the cited trademark relates to road passenger transportation and food delivery services. The differences in content and service providers result in a low degree of relevance between the goods/services of the two marks.

#### [Opposition]

Opposition No.	Trademark in question	Maintained?	Prior Trademark(s)	Goods/Services (Classes)	Reason
			ELLE		The demandant's trademark "ELLE" is widely recognized in Japan as the title of a fashion magazine and is associated with the demandant's business. Although the demandant also provides café, beauty salon, and hotel services under the "ELLE" trademark, these services are limited geographically, and advertisements appear only on a single page of the ELLE magazine.
2023- 900123	el <mark>il</mark> e	Yes (Maintained)		accommodation bureau services," etc. in Class 43	While the word "ELLE" is in use for the demandant's business, there is insufficient evidence to demonstrate that it is well-known among consumers in Japan or abroad for café, beauty salon, or hotel services. The trademark in question differs from the cited trademark in terms of appearance, sound, and connotation. Even though the prior trademark is well-known for the magazine, the low degree of similarity between the two marks reduces the likelihood of association. Additionally, there is no evidence suggesting that the trademark in question was intended for unfair purposes. As a result, confusion about the source of origin is unlikely.
	OLYMBEER オリンピアー		1) OLYMPIC 2) OLYMPIAN*  * The cited mark 2 was cited by the		The word "OLYMPIC" is widely recognized as a mark associated with the Olympic Games. However, the trademark in question is dissimilar to the cited trademark and represents a different source. The degree of similarity between the two marks is low, and there are no circumstances that would connect
2021- 900067	("OLYMBEER" and "OLYMBEER" in Katakana)	Yes (maintained)	Opponent on similarity grounds, but the board found the marks to be dissimilar.	"Beer" and so on in class 32	them. Even if the trademark in question is used for its designated goods, it does not cause traders or consumers to associate it with the cited trademark or its owner. Therefore, there is no likelihood of confusion as to the source of the goods, and the trademark in question does not fall under Article 4(1)xv of the Japan Trademark Act.

#### [Invalidation]

[IIIVali	dation				
Appeal No.	Trademark in question	Invalidated?	Prior Trademark(s)	Goods/Services (Classes)	Reason
		Yes (Invalidated)	PIONEER	"Metal sputtering target materials, iron and steel, nonferrous metals and their alloys" in Class 6	The prior trademark "Pioneer" is well-known among consumers for products such as car audio equipment, navigation devices, drive recorders, and in-car routers. However, the term "Pioneer" has limited creativity, as it is a common English word meaning settler or forerunner.
2022- 890093	PIONEEER MATERIALS				While the designated goods of the trademark in question are raw materials used in various products, including the demandant's, the traders and consumers of the two parties are generally different. Despite the limited creativity of both trademarks and the lack of shared consumer bases, the two marks are highly similar visually, phonetically, and conceptually. Given the prior trademark's recognition, there is a risk of confusion regarding the source of the goods, as if they were related to the business of the demandant. Therefore, the trademark in question falls under Article 4(1)xv of the Japan Trademark Act.
2021- 890061	XIAT	Yes (Invalidated)		"Jackets, clothing" and so on in Class 25	The demandant's trademark is widely recognized in Japan as indicating goods related to its business, such as sports goods, casual clothing, and footwear. The trademark is not only highly well-known but also has a high degree of originality.  The trademark in question partially resembles the demandant's trademark in terms of composition, concept, and characteristics, representing a modified version of the original mark. This results in a high degree of similarity between the two marks.  Considering the demandant's trademark's strong reputation, its originality, and the high similarity between the trademarks, as well as the relevance of the goods, there is a significant risk that consumers will associate the trademark in question with the demandant's business. This association could lead to confusion about the origin of the goods.  Therefore, the trademark in question falls under Article 4(1)xv of the Japan Trademark Act.  Note: The similarity of the marks and the likelihood of confusion was denied in the previous Opposition case (No. 2017-900038), and the trademark in question was maintained at that time.

### **International Committee Activity Report 2024**

- 1. April 17, 2024 (Tokyo) JTA-AIPLA Spring Meeting 2024
- 2. April 18, 2024 (Tokyo) JTA-TTA (Taiwan Trademark Association) Brief Meeting
- 3. May 21, 2024 (INTA Annual Meeting at Atlanta)
  JTA-TTA (Taiwan Trademark Association) Brief Meeting
- 4. August 28, 2024 (Online) Japan-China-Korea Trademark User Symposium hosted by KIPO
- 5. October 7 to 11, 2024 (Geneva/Hybrid) 22<sup>nd</sup> Working Group on the Legal Development of the Madrid System for the International Registration of Marks
- 6. October 11, 2024 (Tokyo)
  Japan-China Joint Research Project
  Opinion Exchange Meeting
  (IP Protection Comprehensive Cooperation Promotion Project commissioned by the JPO)
- 7. November 11 to 22, 2024 (Riyadh) Diplomatic Conference for adoption of Design Law Treaty (DLT)
- 8. December 6, 2024 (Tokyo) Bilateral User Meeting with EUIPO
- 9. December 9, 2024 (Tokyo) JTA-CTA (China Trademark Association) Brief Meeting
- 10. December 11, 2024 (Hakone/Hybrid)13th TM5 User Session hosted by JPO











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