

JTA — BULLETIN —

THE JAPAN TRADEMARK ASSOCIATION

CONTENTS

1. Madrid Protocol Developments in Japan
2. Recent Decisions by the JPO Board of Appeal
 - (1) Cases where the distinctiveness of marks was discussed
 - (2) Cases where the similarity of marks was discussed
 - (3) Cases being discussed whether marks fall under Article 4-1-19 of the Japanese trademark law

1. Madrid Protocol Developments in Japan

Nearly ten years have passed since Japan became the 42nd member of the Madrid Protocol in 2000. Now, there are 79 members of the Madrid Union including the United States, European Community, China, Korea and other major countries. The Madrid Protocol is becoming popular for Japanese trademark proprietors, too. According to the Summary Report for the Year 2008 issued by WIPO, 1278 applications for the International Registration of Marks have been filed by Japan as the country of origin in 2008. This is a 29.9% growth compared to the previous year, and now, for the first time, Japan ranks 9th, following the 8th place country, China. Even so, we would expect more and more Asian countries to join the Madrid Protocol.

On the other hand, from the beginning, Japan has been a popular country newly or subsequently designated in Madrid Protocol applications; and in 2008, there were 12,748 Japanese designations, making it one of the top six designated countries. According to the Japan Patent Office (“JPO”)’s statistics, there were 119,185 trademark applications filed in 2008, including Madrid Protocol

applications as well as direct national applications. So, more than 10% of the applications were filed via the Madrid Protocol. It is clear that Madrid Protocol applications are utilized actively by trademark proprietors from abroad. For both Madrid Protocol applications and national applications, however, the JPO carries out some unique examinations. The following are some tips for foreign trademark proprietors in the case of designating Japan:

- (1) Since 2007, the JPO has heightened its requirements concerning use or intent to use of marks applied for, and if the descriptions cover a too broad scope of goods and/or services in each class, the JPO requires the applicant to submit proof of use, a statement of bona fide intention to use, or a restriction of goods and/or services. This kind of official notification is often issued apart from the typical grounds for rejection, such as distinctiveness, citations or vague description.
- (2) Japan introduced a retail service mark system in 2007. Under the JPO practice, however, the registration of ‘retail or wholesale services’ is not accepted unless concrete goods in relation to such services are identified in the descriptions, with the

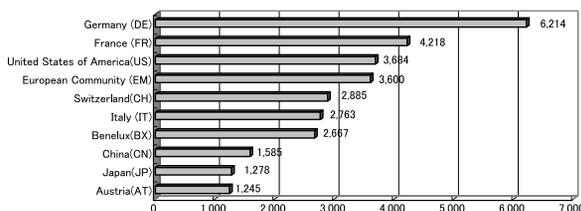
exception of general retail services such as for department stores. Further, if retail services cover a too wide scope of goods, bullet number one listed above applies, and thus, proof of use, a statement of bona fide intention to use, etc., will be required.

- (3) There is no consent system in Japan.
- (4) The JPO does not accept sounds, motions, colors per se, scents, etc., yet as trademarks.
- (5) Last but not least, in the case of Madrid Protocol applications, pursuant to Rule 34(3)(b) of the Common Regulations, Japan has adopted an individual fee system, where fees are payable in two stages, i.e., the first part and second part. Since few contracting countries have adopted a system where there is a second part of individual fees, the payment of the second part is sometimes neglected by the holder, for which, however, there is no relief. We would like to advise you, therefore, if you receive a decision of registration and a notification of the second part of the individual fees, please make sure to pay them within 3 months of the notification date.

* For specific cases, please consult with your local attorneys.

(Chiaki KAWAI)

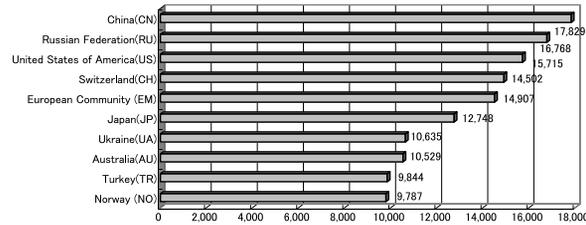
Top10 Contracting Parties of Origin (2008)
Number of applications filed by Contracting Party



(1) Cases where the distinctiveness of marks was discussed (“Yes” means that the mark is distinctive and “No” means the mark is not distinctive.)

Trial No. Date	Trademark in question	CL(s)	Decision Yes/No	Reason
Appeal				
2008-65142 May 26, 09	DEMO	12	Yes	The Examiner found that the trademark in question is descriptive when used in relation to goods for demonstration; however, the term “demo” has several meanings and will not be immediately recognized as an indication of the type of the goods. Further, whether the trademark in question is being generally used as a term to indicate the quality of the goods could not be found out.

Top10 Designated Members (2008)
Number of designations by designated Contracting Party



Graphs based on numbers from the WIPO Madrid System for the International Registration of Marks, *Summary Report for the Year 2008*

<<http://www.wipo.int/madrid/en/statistics>>

2. Recent Decisions by the JPO Board of Appeal

Each trademark application is subject to being refused or registered after formality and substantive examinations. If refused, the applicant can file an appeal against the Decision of Refusal. If registered, anyone may file an opposition with the Commissioner of the Patent Office within two months from the publication of registration or any interested party may initiate an invalidation trial at any time except for cases where only a limited term is set to initiate such trial. In each case, a collegial body of three or five examiners examines the case. Various issues are discussed in each case and the following are some recent cases where the distinctiveness and similarity of the marks, which are the most major issues, were discussed. Hereinafter, “Appeal” means an appeal filed by the applicant against a refusal.

All information is based on data of the IPDL as of December 11, 2009.

2008-650095 Jun 10, 09	M2P	37 41 42	Yes	The trademark in question, when used in relation to the designated services, will be recognized as a coined word, rather than the type or the quality of services. Further, whether the trademark in question is being generally used as a term for management services in the relevant industry could not be found out.
2009-650027 Jul 17, 09		25	No	The square frame is commonly used as a component of trademarks and the "+" is a common symbol that represents "plus." It must be said that the trademark in question is merely a combination of simple and ordinary marks.
2008-29142 Aug 12, 09	WD-40	2	No	It was found out that hyphenated letters and numbers are commonly used as an indication of the quality or a model of the goods in the relevant industry. It can't be said that the trademark in question will serve as a "trademark" under the Japanese Trademark Law.
2008-9721 Apr 28, 09	BOUTIQUE 9	14 18 25	No	The term "BOUTIQUE" is well-known as meaning "specialty shop" and "9" is a number generally used as an indication of the quality or a model of the goods. It must be said that goods with the trademark in question will be recognized as being sold at a specialty shop and numbered 9 (An appeal was brought to the IP High Court on September 8, 2009).
Invalidation trial				
2008-890134 Jul 10, 09	B·B BLEMISH BALM	3	No	It is found that, at the time when the final decision for registration was issued, both the terms "BB" and "BLEMISH BALM" were well-known as meaning a kind of multifunctional cosmetics among the consumer public. It must be said that the trademark in question is descriptive of a quality of the goods and the registration should be invalidated.
2007-890025 Mar. 30, 09	YIRGACHEFFE	30	No	It is found that, at the time when the final decision for registration was issued, the trademark in question was already well-known as meaning coffee beans produced in Yirgacheffe, Ethiopia, not only in the relevant industry but also among the consumer public. It must be said that the trademark in question is descriptive of a production region or quality of the goods and the registration should be invalidated (An appeal was brought to the IP High Court on August 7, 2009).

Opposition				
2009-900076 Aug. 20, 09	SoyLactic	29	Yes	The opponent claims that the trademark in question is merely a combination of the term "Soy," which means "soybeans," and "Lactic," which means "lactic acid," and therefore, is descriptive of the ingredients of the designated goods; however, "Lactic" does not mean "lactic acid," and further, is not generally used as an abbreviation thereof. Also, whether the trademark in question is being generally used as a term to indicate the quality or the ingredients of the goods could not be found out. The trademark in question should be considered as a coined word.
2008-900297 May 25, 09	ARCH FIT	25	No	Both "ARCH" and "FIT" are well-known English words. Besides, it was found out that the term "ARCH FIT" is being commonly used in the relevant industry to describe goods that fit the arch of the foot and reduce stress on the foot. Therefore, it must be said that the trademark in question is descriptive of the shape or efficacy of the goods, and the registration should be cancelled.
2008-900344 Aug. 25, 09	NERO DI SEPPIA	29	No	In the Italian language, "NERO" means "black color," "SEPPIA" means "cuttlefish," and "DI" means "made from." The term "NERO DI SEPPIA," as a whole, means "squid ink." Squid ink dishes are now popular in Japan and the term "NERO DI SEPPIA" is also well-known not only in the relevant industry, but also among the consumer public. Therefore, it must be said that the trademark in question is descriptive of an ingredient of the goods, and the registration should be cancelled.

(Kurumi TSURU)

(2) Cases where the similarity of marks was discussed ("=" means the marks are similar and "≠" means marks are not similar)

Trial No. Date	Trademark in question	Decision = / ≠	Prior Trademark	CL(s)	Reason
Appeal					
2007-12569 Jan 29, 08	NBP	≠	NBB	18. 25	The trademarks are visually and aurally different.

2007-19044 Feb 29, 08	PACIFIQUE	≠	<i>HOTEL PACIFIC</i>	43	The prior trademark is illustrated as a whole in appearance, for which the united pronunciation is not too long but is given rise to naturally, thus it is pronounced as a whole, although "HOTEL" portion is weak in relation to the designated services. Thus the trademarks are aurally different.
2007-20972 Feb 21, 08	sm@rt	≠	smart	21	The trademarks are visually and conceptually different although they are aurally similar. Thus, they are not confusingly similar.
2007-27679 May 13, 08	ACCESS	≠	1. AXESS 2. ACCESS international	42	The Trademark in question and No.1 mark are visually and conceptually different although they are aurally similar. Thus, they are not confusingly similar. No. 2 mark is pronounced as a whole, thus the trademarks are aurally different. The trademarks are also different in terms of the appearance, thus they are not confusingly similar.
2007-16140 May 20, 08	PANTENE AGE DEFYING	≠	1. AGE DEFYING 2. REVLON AGE DEFYING	3	The Trademark in question is pronounced as a whole, or as "PANTENE" which is applicant's famous mark, but not as "AGE DEFYING." Thus, the trademarks are aurally different.
2008-11447 Aug 7, 08	C-VGR	≠	VGR	12	The Trademark in question is pronounced as a whole, but not as "VGR" only. Thus, the trademarks are aurally different.
2007-18343 Oct 9, 08	mondoBIOTECH	≠	1. Biotech 2. Mondo and its katakana	5	The Trademark in question is pronounced as a whole, thus the trademarks are aurally different.
2006-65076 Jan 15, 08	SIRIO	=	SIRION	16	The trademarks are visually and aurally similar.

2007-26005 May 22, 08	RODEO.HOLLYWOOD	=	RODEO	25	Since the HOLLYWOOD portion of the Trademark in question is descriptive in connection with the designated goods, the distinctive portion of the Trademark in question should be "RODEO." Thus, the trademarks are aurally and conceptually similar although they are visually dissimilar.
Invalidation trial					
2007-890139 June 27, 08		≠	DON ドン (DON and its katakana)	3	The trademarks are visually, aurally and conceptually different.
Opposition					
2007-900255 Jan.10, 08		≠		18, 20,28	The trademarks are visually different.

(Shunji SATO)

(3) Cases being discussed whether marks fall under Article 4-1-19* of the Japanese Trademark Law, which was newly introduced in 1996.

*Japanese Trademark Law Article 4-1-19

No trademark shall be registered if the trademark is identical, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for unfair purposes (referring to the purpose of gaining unfair profits, the purpose of causing damage to another person, or any other unfair purposes, the same shall apply hereinafter) (except those provided for in each of the preceding items) in respect of such goods or services.

("Yes" means the mark in question falls under Article 4-1-19 and "No" means the mark does not fall under the same.)

Trial No. Date	Trademark in question	Prior Trademark	CL(s)	Reason	Yes/No
Law suit 2008 (Gyo-ke) 10079 Sep.30.08 Invalidation 2006-89159 Apr.14.09		CAMEL 	25	The mark consisting of an Arabian Camel with the word INCA / CAMEL is to be cancelled since the wide recognition of the fame of the tobacco brand CAMEL and its Camel design is not only limited to the tobacco/cigarette business, but has also widely spread to cover the clothing market. * 1	Yes

Opposition 2007-900448 Jun.09.09	BILLABONG	BILLABONG	32	Not registrable due to the fame of the mark BILLABONG for surfboards and snowboards in Japan as well as in foreign countries. Adopting an uncommon spelling of BILLABONG, derived from a native Australian word, is considered to have an unfair intention. * 2	Yes
Opposition 2008-900320 Mar.14.09			32	Registrable over the cited mark since use of the mark is not an infringement of the prior registration. * 3	No
Invalidation 2008-890046 Jun.29.09	LE MANS		24	The mark should not be invalidated since the benefits of the fame of the cited mark "LE MANS" should be limited to car racing, and the mark is not considered to create unfair competition. * 4	No

* 1

The mark "INCA/CAMEL"(Reg. 4332094), which includes a foreign well-known trademark as a part, was registered irrespective of the prior registration CAMEL (Reg. Nos. 1895814 and 1895815) owned by an American company.

(1)The fame of the American tobacco brand was recognized. (2) The Defendant chose a similar Camel design, knowing of the existence of the famous tobacco brand. (3) The TM application was filed to register a similar mark. (4) Goods bearing the similar mark were sold in discount stores in the same manner as the sales of the other famous brand, and thus, it is considered that there is an unfair intention to gain an unfair profit. The Defendant asserted that the mark was created from the original image of an Inca animal, but the silhouette camel design is not related to the Incas and thus, the asserted creativity is not approved. Accordingly, the registration should be invalidated for falling under §4-1-19.

* 2

The mark "BILLABONG" (Reg.5054657 cl.32: Mineral Water) is identical to the mark of the famous surfboard (snowboard) brand BILLABONG, owned by Billabong International Limited and which has been used since 1973. The owner of the cited mark organizes many international surfboard competitions and sells various kinds of sporting goods, clothing, shoes, watches, accessories, bags, etc., by using the BILLABONG trademark, which was already well-known at the time of the filing of the trademark in question that covers Mineral Water of Int'l Class 32. Since the spelling of BILLABONG is uncommon in English and is derived from a native Australian word, an adoption of the mark is not considered as an accidental coincidence, but rather an unfair intention to free ride on the fame and goodwill of the cited mark in respect of such goods or services.

* 3

The mark "FIJI WATER/island/Fine Fare" (Reg. 5135743), which includes a foreign well-known trademark as a

part, was registered irrespective of the prior registration FIJI (Reg.4961932) owned by an American bottled water company.

“FIJI WATER”, the mark in question, consists of two words, 1). the well-known geographic name recognized as a country name, and 2). a generic word, “water”, and thus, as a whole, is not considered as a distinctive mark. However, extinctive use of the cited mark in the U.S.market didn't create distinctiveness (secondary meaning) for a trade name of “FIJI WATER COMPANY LLC”. There is no specific pronunciation for this mark and the meaning that is derived from either of the two marks that need to compare, and obviously dissimilar in appearance, and no confusion exists, thus the mark does not fall under §4-1-19.

*4

The mark “LE MANS ”(Reg. 837128 cl.24), which has the same pronunciation and appearance as the well-known abbreviation for sports car racing, was registered

irrespective of the famous trademarks in other classes, LE MANS (JPN Reg.429118 cl.12 and FR Reg.1271720 cl.25), owned by Automobile Club de l'Ouest, the organizer of the sports car race, 24 Heures du Mans.

“Le Mans” is a geographic name and an abbreviation for the 24 hour sports car race, “24 Heures du Mans,” in France. The well-known feature is accepted among the limited group who were related to the car racing business when the application for the mark in question was filed. Moreover, the word “Le Mans” is not a coined phrase created by the Plaintiff. The Defendant did not know that “24 Heures du Mans” would be abbreviated as “Le Mans” and did not know of its reputation/fame. However, even if the Defendant could know or predict the above facts when the mark was applied for, it is considered that the use of the mark in question does not create unfair competition. The Defendant had no intention to free-ride on the fame of the cited mark, and thus, it does not give rise to confusion and does not fall under §4-1-19.

(Fumihiko HIROSE)

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