

Conflict of Composite Marks

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Agenda

- 1. Method of determining the similarity of composite marks
- 2. Court case review
 - (1) Reebok ROYAL FLAG case
 - (2) GINZA CLEAR case
 - (3) EMPIRE STEAK HOUSE case



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- 1. Method of determining the similarity of composite marks
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 - (1) Reebok ROYAL FLAG case(2) GINZA CLEAR case(3) EMPIRE STEAK HOUSE case



1. Method of determining the similarity of composite marks

Composite mark:

A trademark comprising a combination of two or more elements





1. Method of determining similarity of composite marks

Basic principle: Anti-Dissection Rule Consider the entirety of the mark rather than dissecting it into individual elements.

Under <u>certain circumstances</u>: Can be dissected into individual elements.



1. Method of determining similarity of composite marks

Criteria

1. In a case where each element is not combined strongly enough to consider that it is unnatural to observe them separately.

* LYRATAKARAZUKA v. TAKARAZUKA, Supreme Court, 1962 (O) 953, (December 5, 1963).



Supreme Court: Similar (Refused to register)



Method of determining similarity of composite marks

Factors to consider

- Differences in font, size, and color
- Difference in types of characters, such as Japanese characters and English
- Each element is placed separately
- The overall sound is redundant
- No conceptual connection between the elements



1. Method of determining similarity of composite marks

Criteria

In a case

 where the particular element is found to give a strong and dominant impression to traders and consumers for distinguishing the origin of goods and services
(Dominant feature),

or

3. where the remaining elements do not generate sound or concept as a source identification of goods and services.



1. Method of determining similarity of composite marks

Basic principle: Anti-Dissection Rule

Can be dissected into individual elements in cases where:

1. Each element is not combined strongly enough to consider that it is unnatural to observe them separately.

2. The particular element gives a strong and dominant impression to traders and consumers for distinguishing the origin of goods and services.

3. The remaining elements do not generate sound or concept as a source identification of goods and services.





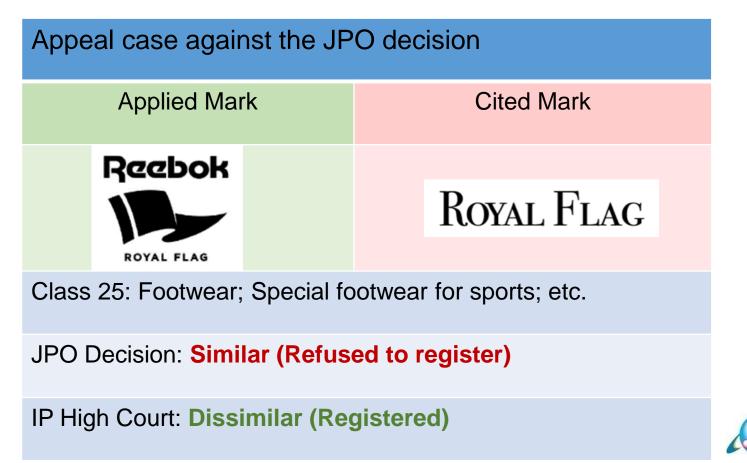
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2-1. Reebok ROYAL FLAG case

*Reebok ROYAL FLAG v. ROYAL FLAG, IP High Court, 2015 (Gyoke) 10159, (January 20, 2016)



2-1. Reebok ROYAL FLAG case

IP High Court reversed the JPO Trial decision, finding as follows:

• The term "REEBOK" is famous among Japanese traders and consumers. The "REEBOK" portion provides a strong and dominant impression as a source identification because of its fame.

The REEBOK portion can function as a source identification independently.



2-1. Reebok ROYAL FLAG case

- The applied mark places a flag image prominently in the center of the mark.
- The term "Reebok," written in a stylized distinctive font, is indicated above the flag image.
- The term "ROYAL FLAG" is written in a much smaller font than the flag image and the "Reebok" portion.

 \Rightarrow It cannot be said that the "ROYAL FLAG" portion draws the consumer's attention independently.



ROYAL FLAG



2-1. Reebok ROYAL FLAG case

IP High Court reversed the JPO Trial decision, finding as follows:

The term "ROYAL FLAG" is not listed in dictionaries. But it is a combination of easy English words. It does not make a strong impression as a source identification in comparison to the term "Reebok."



2-1. Reebok ROYAL FLAG case IP High Court Decision

Conclusion:

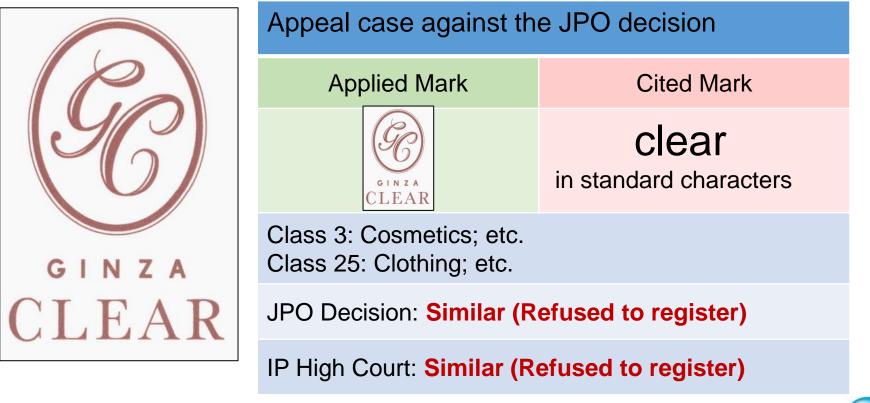
It is **inappropriate to extract only the "ROYAL FLAG" portion** to be compared with the cited mark. The applied mark is **dissimilar** to the cited mark.





2-2. GINZA CLEAR case

*GINZA CLEAR v. clear, IP High Court, 2022 (Gyoke) 10119, (May 18, 2023)



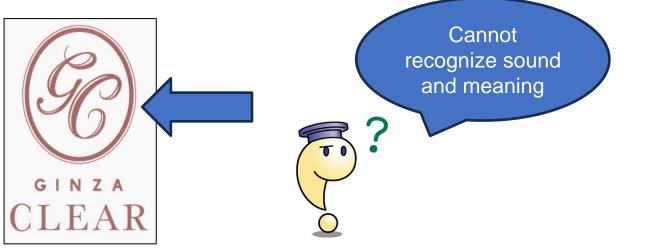


2-2. GINZA CLEAR case

IP High Court upheld the JPO Trial decision, finding as follows:

 The figure portion is highly stylized. Consumers would not understand which characters have been designed.

The figure portion does not generate sound and meaning as a source identification.





2-2. GINZA CLEAR case

IP High Court upheld the JPO Trial decision, finding as follows:

• GINZA is the name of a place. It is often observed that GINZA is used to indicate a place of sale, the location where services are provided, or the place of origin of a brand.

 \Rightarrow The GINZA portion does not generate sound or meaning as a source identification.



2-2. GINZA CLEAR case

IP High Court upheld the JPO Trial decision, finding as follows:

- The term CLEAR is an easy English word that is familiar among Japanese consumers.
- The term CLEAR attracts consumers' attention because it does not indicate the characteristics of the goods and services specifically.
- The term CLEAR is written in a larger size than the GINZA portion.
- The image portion is visually divided from the letter portions.
- \Rightarrow The CLEAR portion gives a strong and dominant impression for distinguishing the origin of goods and services.



2-2. GINZA CLEAR case

IP High Court Decision

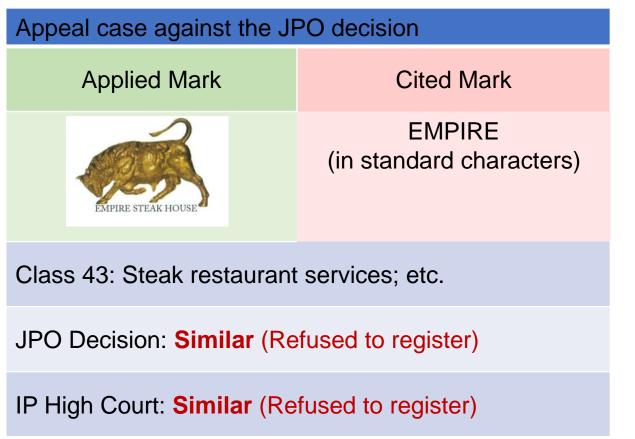
Conclusion:

It is permitted to focus on only the "CLEAR" portion for comparison with the cited mark. The applied mark is **similar** to the cited mark.



2-3. EMPIRE STEAK HOUSE case

*EMPIRE STEAK HOUSE v. EMPIRE, IP High Court, 2022 (Gyoke) 10087, (January 17, 2023)





2-3. EMPIRE STEAK HOUSE case

IP High Court upheld the JPO Trial decision, finding as follows:

• The bull image and the term "EMPIRE STEAK HOUSE" are visually separated.

• The term "STEAK HOUSE" is commonly used to indicate the characteristics of restaurant services. The "STEAK HOUSE" portion has **no or very little distinctiveness** in relation to "steak restaurant services."

• The term "EMPIRE" does not describe any characteristics of the designated services. The "EMPIRE" portion is **distinctive and could make a strong impression on consumers.**



2-3. EMPIRE STEAK HOUSE case

IP High Court Decision

Conclusion:

It is appropriate to extract the EMPIRE portion for comparison with the cited mark. The applied mark is **similar** to the cited mark.





Summary

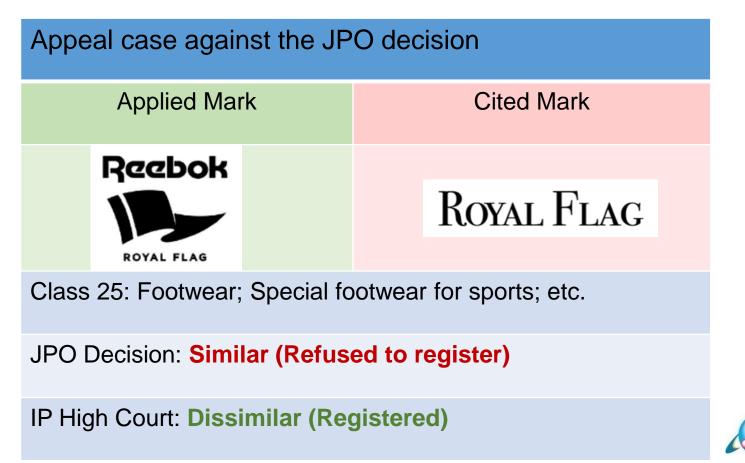
- Basic principle: Anti-Dissection Rule.
- Permitted to assess the similarity by dissecting into individual elements under certain circumstances.
- If each element can be visually separated, the mark is highly likely to be dissected into individual elements.
- If the elements have no conceptional connections, the mark tends to be dissected into individual elements.
- If the mark contains a famous or well-known mark, that part could be extracted (Dominant feature).
- If the mark includes indistinctive or weak distinctiveness elements, that part could be disregarded.





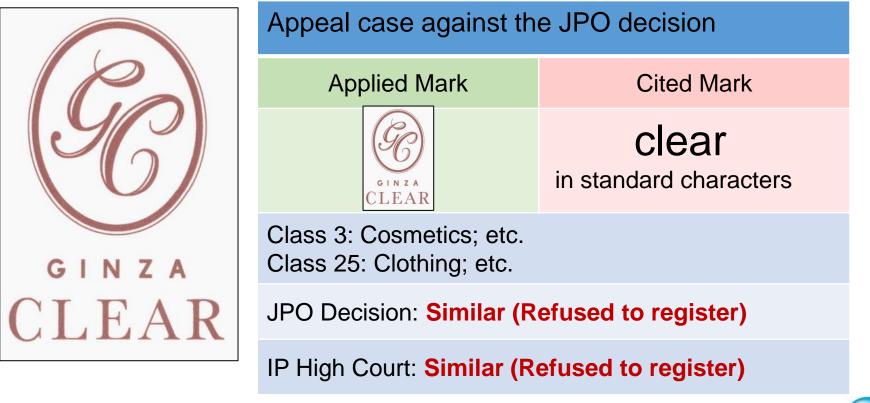
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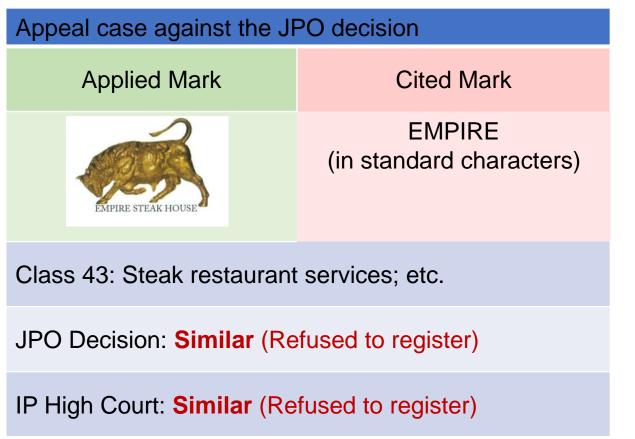
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2-3. EMPIRE STEAK HOUSE case

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Thank you for your attention.



Chihiro IIJIMA Trademark Attorney

Any Questions?



