

# **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

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.





# Agenda

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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:**

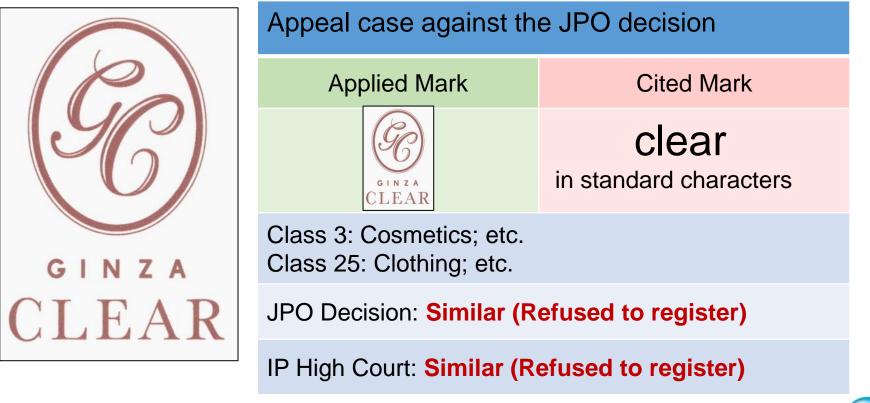
It is **inappropriate to extract only the "ROYAL FLAG" portion** to be compared with the cited mark. The applied mark is **dissimilar** to the cited mark.





#### 2-2. GINZA CLEAR case

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



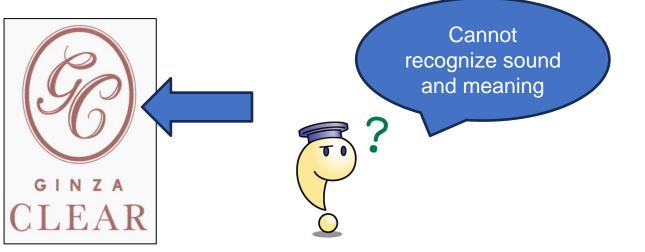


#### 2-2. GINZA CLEAR case

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** 

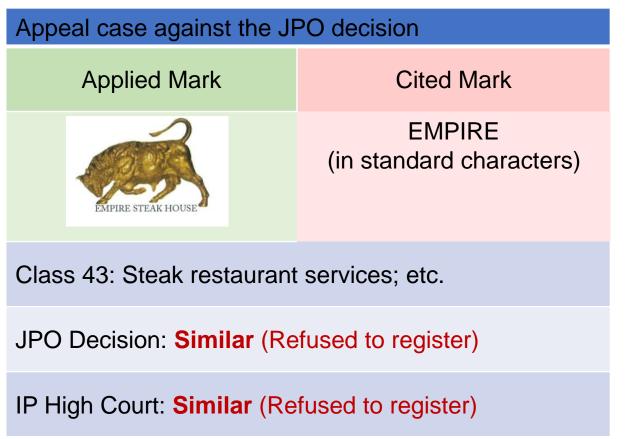
Conclusion:

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

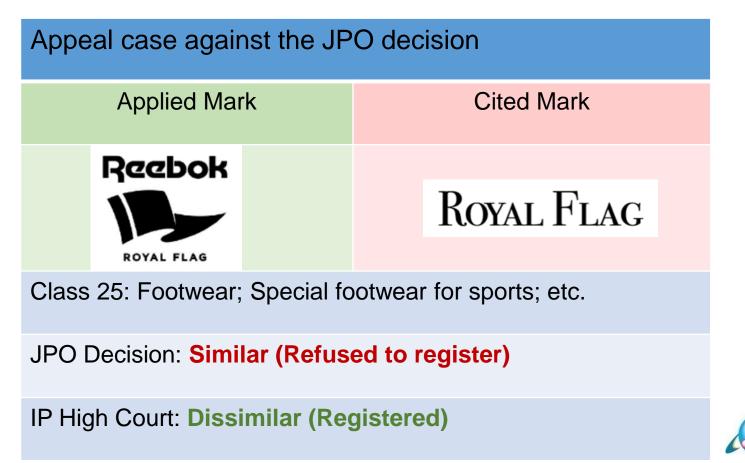
- Basic principle: Anti-Dissection Rule.
- Permitted to assess the similarity by dissecting into individual elements under certain circumstances.
- If each element can be visually separated, the mark is highly likely to be dissected into individual elements.
- If the elements have no conceptional connections, 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.





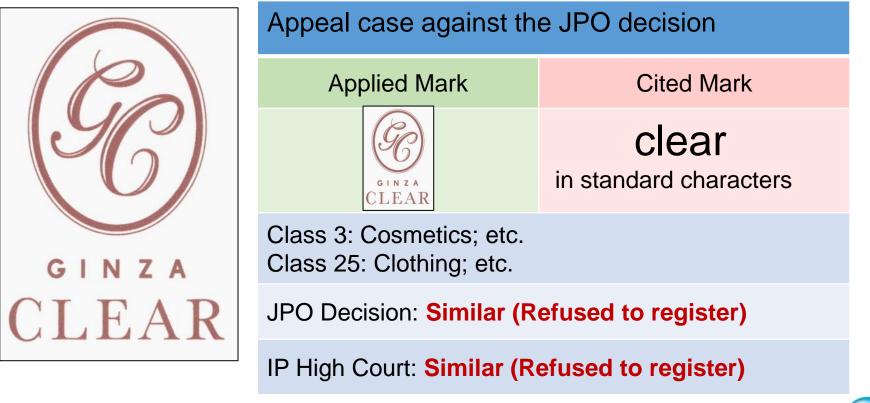
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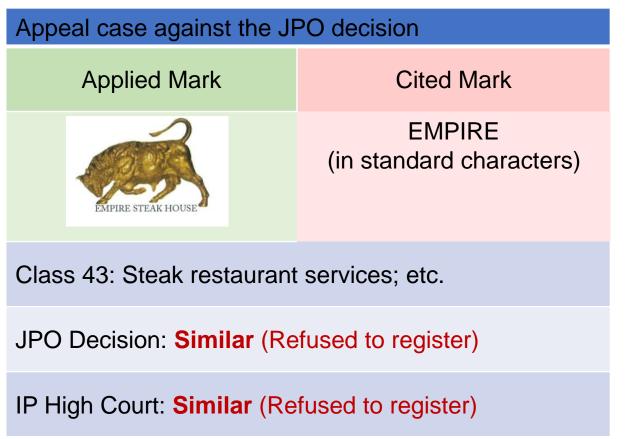
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# Thank you for your attention.



Chihiro IIJIMA Trademark Attorney

# Any Questions?



