Latest Court Decisions

2014:

(October)

• MARBURG Case (Cancellation Suit of Trial Decision)

IP High Court 2014.10.29 H26(Gyo-Ke)10113

[SUMMARY/INTRODUCTION]

The Plaintiff X (Japanese individual) and the Defendant, Marburger Tapetenfabrik, J.B. Schaefer GmbH & Co. KG (German company), entered the Marketing Consultant Agreement in May 2007 for the sales promotion of the Defendant's goods "wall-paper" in Japan.

The Plaintiff registered the trademark "MARBURG" and Katakana (right) for "wall-paper" in Class 27 on February 10, 1977 under Reg. No. 1249896.



The Defendant terminated the Agreement in March 2009 and filed the Cancelation Trial for non-use against the Plaintiff's registered trademark on March 12, 2013.

Under the situation, should the Plaintiff's trademark registration be cancelled for non-use?

[CASE]

The Plaintiff conducted the sales promotion of the Defendant's "wall-paper" under the Agreement in Japan by showing the sample books bearing the trademark "marburg/WALLCOVERINGS" (right) and the sample goods to the Japanese customers. The customers directly sent the sales orders to the Defendant in Germany.



During the procedures of the Cancellation Trial for non-use, the Plaintiff alleged that he used the registered trademark for the advertising materials, i.e. the sample books of the wall-paper bearing the trademark as provided under Article 2-3-8 of the Trademark Law.

However, the Japanese Patent Office issued the Trial decision cancelling the Plaintiff's trademark registration for non-use. The JPO considered that the goods appearing on the sample books belonged to the Defendant and therefore, the Plaintiff conducted the sales promotions solely for the others.

Then, the Plaintiff brought the case before the IP High Court. The Plaintiff alleged that he was not granted a license from the Defendant and he used his own registered trademark for the wall-paper and therefore, use of the registered trademark should be confirmed.

The IP High Court also dismissed the Plaintiff's petition. The Court said that the "Trademark" is to be used for indicating the source of the goods manufactured or marketed by the trademark users. In addition, the "Trademark" is to be used to distinguish his own goods from those of others. Therefore, when the trademark is used for the goods manufactured or marketed by others, it could not be regarded as use of his trademark.

In the subject case, the goods "wall-paper" was manufactured and marketed by the Defendant and accordingly, the goods belonged to the Defendant and were not of the Plaintiff. The Plaintiff only conducted the sales promotion of the goods belonging to the Defendant. The mercantile transactions were made between the Defendant and the Japanese customers, not through the Plaintiff.

Therefore, the trademark appearing on the sample books was used to indicate the source of the "wall-paper" manufactured by the Defendant and was used to distinguish the Defendant's goods from the others. The Plaintiff did not use the registered trademark for his own goods to distinguish them from others.

We fully agree to the Court Decision. However, it is unclear why the Plaintiff, a Japanese individual, registered the German place name "MARBURG" as a trademark for paper in old Japanese Class 25 in 1977 under No. 1249896.

Surprisingly, the Plaintiff re-filed the trademark "MARBURG" and Katakana on **April 24**, **2014** for wall-paper in Class 27 after the cancellation decision was rendered by the JPO on March 26, 2014.

On the other hand, the Defendant has International Reg. No. 107930 "MARBURG (logo)" dated March 22, 2011. He made the subsequent designation to Japan on **April 10, 2014**.

This International application to Japan is now under the provisional refusal due to the Plaintiff's No. 1249896 since the Plaintiff appealed the IP High Court decision before the Supreme Court and therefore, No. 1249896 is still in force.

Therefore, the Defendant's International trademark will be registered after the Supreme Court dismisses the Plaintiff's appeal and No. 1249896 is cancelled.