Latest Court Decisions

2017: [September – No.2]

• <u>X Line Shoes Case (Cancellation Suit of Trial Decision)</u> IP High Court 2017.9.14 H28(Gyo-KE)10230

[SUMMARY / INTRODUCTION]

International TM Reg. No. 836836 specifying the goods in Classes 18, 25 and 28 is registered in Japan. This International trademark consists of a shoe device written in the stippled lines, the side of which the "X" device appears (right upper).



A cancellation trial for non-use was filed against the International registration partially for "boots, shoes and slippers; particularly ready-made shoes for sports" in Class 25.

The Plaintiff (the trademark proprietor) insisted that the sneakers with the "X" device (right lower) were imported into Japan and marketed, and that the "X" device for the sneakers was identical to the International trademark.



However, the JPO issued the trial decision cancelling the International registration for non-use and then, the Plaintiff brought the case before the IP High Court.

What was the Court decision ?

[Case]

The Plaintiff alleged during the court procedures as follows. The International trademark was filed on the basis of a Spanish trademark. The Certificate of Spanish TM No. 2999664 had the statement "the trademark consists of the cross design like the letter "X" on the side of sports shoes." This meant that the basic trademark was the "X" device appearing on the side of shoes which was filed as "a **Position Trademark**" excluding the shoes device in the stippled line.

THE COMMON REGULATIONS UNDER THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS AND THE PROTOCOL RELATING TO THAT AGREEMENT did not require any statement regarding the position trademark when filing International applications.

In addition, for instance, in PART DESIGN applications, the part that is going to receive a design registration is drawn in solid lines, and the portions of the article that do not form part of the design are drawn in stippled lines. This showed that in the position trademarks as well, the parts drawn in stippled lines did not consist of the parts as a trademark.

Therefore, when judging the identicalness between the registered trademark and the trademark in use, it should be substantial to find on which part of the shoes the "X" device marks appear irrespective of the small differences of the shoes designs.

In this case, the almost identical "X" devices appeared on the almost identical parts of the shoes of the registered trademark and the trademark in use and therefore, the registered trademark was used for the specified goods "shoes" and should not be canceled for non-use.

However, the IP High Court dismissed the allegation by the Plaintiff. The Court said that the International trademark was not regarded as a Position Trademark because the Position trademark in Japan was adopted on April 1, 2015 while the International trademark was designated to Japan on December 13, 2004.

Therefore, the International trademark was regarded as a traditional trademark in a plane form which included the shoe device drawn in stippled lines. However, the trademark in use did not have any shoe device in stippled lines and therefore, the cancellation decision by the JPO should be sustained.

We have to agree that the Court decision is logically proper. However, we are obliged to feel as strangeness the court finding that the International trademark consisted of the "X" device and the shoe device in stippled lines because it is incredible that the International trademark is being used as it is for shoes and the other specified goods.

The Japan Patent Office has been accepting since April 1, 2015 applications for Non-Traditional trademarks such as Motion, Hologram, Color, Sound and Position trademarks while Three-Dimensional trademark applications have been accepted since April 1, 1997.

If trademarks were registered as traditional trademarks intending for protection as non-traditional trademarks before April 1, 2015 or April 1, 1997, you should now consider re-fling applications as the non-traditional trademarks such as Position trademarks or three-dimensional trademarks.