

Latest Court Decisions

2009:

(November)

SMILE & SMILEY Case (Cancellation Case of Trial Decision)

IP High Court 2009.11.30 H21(Gyo-Ke)10122

In Japan, an **exclusive license** has to be recorded at the JPO to be effective as the exclusive right. An unrecorded exclusive license is regarded as non-exclusive license. When a **non-exclusive license** is recorded at the JPO, it is effective against the successors of the trademark rights.

On November 28, 2007, a cancellation trial for non-use was filed against the registered trademark "**SMILE & SMILEY**" and Face device (right upper) specifying "bread and confectionery" in Class 30. The trademark proprietor had to prove the use in the past three year

JAS obtained an exclusive license on **October 30, 2000** for the four year duration (**until October 30, 2004**). The exclusive license was recorded at the JPO on April 28, 2003. JAS further granted a sub-license to **BEST**. A catalogue issued **in 2006** by BEST was submitted as a proof of use against the cancellation trial. The trademark in use in the catalogue was shown right lower.



The JPO accepted the use by BEST as effective because the record of the exclusive license was cancelled on **May 19, 2007**. However, the IP High Court cancelled the JPO's Trial Decision because the exclusive license to JAS was substantially terminated on **October 30, 2004** even if the JPO's record was not cancelled at that time. Therefore, the sub-license to BEST terminated as well.

elle et elles Case (Cancellation Case of Trial Decision)

IP High Court 2009.11.26 H21(Gyo-Ke)10203

A cancellation trial for non-use was filed against the trademark "**elle et elles**" specifying clothing in old Class 17 that was registered in 1999 under the old Japanese Classification of goods.

elle et elles

The trademark proprietor carried on a ladies' inner cloth shop in the shopping mall. The trademark "elle et elles" was used as a name of the shop. The defendant (= the trademark proprietor) submitted photographs of the shop and the pamphlets as the proof of use against the cancellation trial.

The plaintiff (= the petitioner of the cancellation trial) insisted that the registered trademark was used for the retail services of women' underwear that were not covered by the registration because the retail service mark registration started only in 2007.

However, the IP High Court dismissed the plaintiff's claims saying that the registered trademark was used for advertisements of the specified goods under Article 2-3-8 of the Trademark Law.