

## Latest Court Decisions

**2010:**

[August]

### ● Asrock Case (Cancellation Case of Trial Decision)

IP High Court 2010.8.19 H22(Gyo-Ke)10297

An Invalidation Trial was filed against the registered trademark "**Asrock**" (right upper) specifying "semiconductors" (and other goods) in Class 9 in the name of a Korean individual.

The image shows the trademark "Asrock" in a bold, sans-serif font. The letters "As" are in a dark grey color, and "rock" is in black. The letters are slightly shadowed, giving it a 3D appearance.

The Petitioner, a Japanese import company, insisted that the trademark "**ASRock**" (cited mark: right lower) was a trademark belonging to a Taiwanese mother board manufacturer and the Korean individual fraudulently registered the subject trademark and therefore, its registration should be invalidated as against the public order and morality under Article 4-1-7 of the Trademark Law.

The image shows the trademark "ASRock" in a bold, sans-serif font. The letters "AS" are in a dark grey color, and "Rock" is in black. The letters are slightly shadowed, giving it a 3D appearance.

However, the JPO dismissed the petition for invalidation because the cited trademark was not a creative word and it was not well-known at the time of the application date of the subject trademark. Accordingly, the subject trademark was not registered fraudulently under Article 4-1-7 of the Law.

Then, the Petitioner filed the cancellation law suit before the IP High Court.

The IP High Court cancelled the Trial Decision because the following reasons.

- ① **ASUSTek** company was the largest mother board manufacturer in Taiwan having the top share of the mother boards in the world. ASUSTek announced on the web-site that they would present "ASRock" as their second brand in China. The Korean individual filed the trademark application for the subject trademark in Korea on the day after the announcement.
- ② The Korean filed the application for the International registration under the Madrid Protocol designating Japan on the basis of the Korean trademark.
- ③ The products bearing the cited trademark ASRock were distributed in Taiwan, Korea and China at the time of the International registration date.
- ④ The cited trademark ASRock was not a dictionary word having a specific meaning and its composition was unique and creative.
- ⑤ It was found that the Korean Defendant was familiar with the electronic devices such as computers and he frequently accessed the web-sites in the electronic field.
- ⑥ The Defendant registered in Korea trademarks belonging to other companies.

- ⑦ The Defendant's bad faith could be understood from the above facts that the Defendant did not register the subject trademark for its own purpose and he registered the subject trademark in order to take it into his own hands prior to ASUSTek company or ASRock company.
- ⑧ The Defendant's business situation was unclear and it was doubtful that he actually conducted the business of electronic devices. The Defendant conducted a one-man business in Korea and it could be denied that he would start his business in Japan in the near future.
- ⑨ The Defendant dispatched warning letters to Japanese companies including the Plaintiff demanding the stop of import and sales of the goods bearing the cited trademark.
- ⑩ The Defendant demanded payment of excessive amounts of money to the sale distributors of ASRock products in Korea.
- ⑪ By summing up all of the facts, it can not be denied that the subject trademark was registered for the purpose of gaining an unfair profit by assignment of the trademark right.
- ⑫ Accordingly, the subject trademark registration should be invalidated under Article 4-1-7 as against the public order and morality even if the cited trademark was not well known in Japan at the time of filing the application of the subject trademark.

### [Comments]

If the cited trademark had been well known in Japan at the time of filing the application for the subject trademark, its registration might be invalidated under Articles 4-1-8, 10, 15 or 19. Therefore, this court decision has a point that Article 4-1-7 was applied to the trademark that was not well known in Japan.

### ● Crocodile Case (Cancellation Case of Trial Decision)

**IP High Court 2010.8.31 H22(Gyo-Ke)10022**

An Invalidation Trial was filed against the registration for the trademark "CARTELO" (word) and a crocodile device (right upper) specifying "clothing" and other goods in Class 25 on the basis of the prior registrations for the trademark "Crocodile" (word) and a crocodile device (right middle) and the trademark for the crocodile device (right lower).



The JPO invalidated the registration for the CARTELO trademark since the crocodile device in the CARTELO trademark was distinctive and the cited Crocodile device trademarks were well known. Therefore, the CARTELO trademark was confusingly similar to the cited trademark regarding the crocodile devices.

The cancellation law suit was filed before the IP High Court.

The IP Court cancelled the JPO's Trial Decision saying that the crocodile device in the CARTELO trademark was not distinctive enough since the crocodile device was unclear because it was lapped over by the distinctive word part "CARTELO" in three colors. Accordingly, there was no fear of confusion between the CARTELO trademark and the cited crocodile trademarks.