

Latest Court Decisions

2011:

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● ENEMAGRA Case (Cancellation Suit of Trial Decision)

IP High Court 2011.10.24 H23(Gyo-Ke)10005

The trademark "ENEMAGRA" specifying "medical machines and apparatus" in Class 10 was registered by a Japanese company.

ENEMAGRA

Mr. JT (plaintiff) residing in US who was an inventor of the US Patent regarding medical equipment for prostatic gland, had sold the equipment in USA under the trademark "**Pro-State**" since 1997.

In August 1998, Mr. JT requested a representative, Mr. X, of the defendant company to import and sell the equipment in Japan. At that time, Mr. X proposed to Mr. JT to name the equipment as "ENEMAGRA" and Mr. JT accepted it. Then, the sales of Mr. JT's goods in Japan started. Mr. X also stressed that a trademark registration was important in Japan.

In September 1999, the defendant company started the sales of the equipment that was manufactured by the defendant company itself under the trademark "ENEMAGRA" in English and Japanese in Japan.

In February 2000, Mr. JT started the sales of "ENEMAGRA" equipment in Japan through another sales agent, Pines.

In November 2000, the defendant company filed a trademark application for "ENEMAGRA" in Japan and it was registered on December 28, 2001.

In November 2009, Mr. JT filed a trademark application for "ENEMAGRA" in Japan and it was provisionally rejected due to the defendant's trademark registration and the Japanese application is still pending.

Then, Mr. JT filed the invalidation trial against the defendant's trademark registration due to the unfair use under Article 51 of the Trademark Law. However, it was dismissed by the JPO.

【Article 51】

Where a proprietor of trademark right **intentionally** uses, either a trademark similar to a registered trademark in connection with the designated goods or designated services, or a registered trademark in connection with goods or services similar to the designated goods or designated services or a trademark similar thereto, in a manner that misleads as to the quality of the goods or services or **causes confusion** in connection with the goods or services pertaining to a business of another person, any person may file a request for a trial for rescission of the trademark registration.

You will see that the Law requires for Article 51 the following two points.

- ① The trademark proprietor **intentionally** uses the registered trademark or a similar trademark to another person's trademark.
- ② Such use causes **confusion** with the goods of another person.

The IP High Court also dismissed the Mr. JT's petition although the Court admitted the possibility of confusion when the two parties used the identical or similar trademarks "ENAMGRA" in English and Japanese for the identical goods "medical equipment for prostatic gland".

However, the Court denied with the following reasons that the defendant intentionally used the identical or similar trademark to Mr. JT's.

- (1) Mr. JT did not use the trademark ENEMAGRA in USA.
- (2) Mr. JT started the sales of his ENEMAGRA equipment in Japan after the defendant company started the sales of their goods.
- (3) Mr. JT's trademark was not well-known in Japan at the time of filing the application by the defendant company.
- (4) Mr. JT did not file an opposition when the defendant's trademark was published for opposition.
- (5) It was unclear at the time of the defendant company starting the sales of the goods as to what trademark Mr. JT would use for the equipment in Japan.
- (6) Therefore, the defendant company did not recognize that the use of the defendant's trademark would cause confusion with Mr. JT's goods when starting the sales of the goods. The defendant company did not use the trademark "intentionally."

【Comments】

It is rather difficult to decide as to who is the rightful trademark proprietor of the trademark. Usually, the person who firstly started the use of the trademark for the goods should be regarded as the rightful person. It would not be important that who named the trademark for the goods.

In this case, the trademark "ENEMAGRA" was adopted for the plaintiff, Mr. JT's goods although the trademark "ENAMAGRA" was proposed by the defendant's representative.

Therefore, the person who firstly used the trademark "ENEMAGRA" in Japan was Mr. JT.

However, Mr. JT did not file a trademark application when started using the trademark in Japan. So, the defendant filed and registered the trademark "ENEMAGRA" that the IP High Court admitted.

The defendant may be reprehensible from the point of the business ethics and morality. However, Japan does not adopt "first-to-use" trademark priority system. In this case, the person who firstly filed the trademark application was the defendant and was protected.

However, if the "ENEMGRA" trademark had been well-known as the goods of Mr. JT in or outside Japan, he might have been considered as the rightful trademark proprietor.