

Latest Court Decisions

2015:

[May]

- DEEP CLEANSING OIL Case (Cancellation Suit of Trial Decision)
IP High Court 2015.5.14 H25(Gyo-Ke)10011

[SUMMARY/INTRODUCTION]

The trademark "DEEP CLEASNING OIL" in English and Korean Hangul script (right upper) was registered for "cleansing oil" in Class 3 by a Korean company (Defendant).

DEEP CLEANSING OIL
순행 클렌징 오일

A Japanese well-known cosmetic company, DHC, (Plaintiff) filed an Invalidation Trial against the registered trademark "DEEP CLEASING OIL" on the basis of the prior use of DHC's trademark "DEEP/CLEANSING/OIL" in three lines (right lower) which become known to consumers (Article 4-1-10 of the Trademark Law). In addition, DHC alleged that the registered trademark was liable to cause confusion with DHC's well-known trademark (Article 4-1-15 of the TM Law).



However, the JPO dismissed the petition by the DHC and then, DHC filed the Cancellation Suit against the Trial Decision by the JPO. However, the Defendant Korean company did not appear at the court hearing, nor filed a counter-statement.

What was the Court decision ?

[Case]

Article 159-(1) of the Civil Proceedings Act provides as follows:

[Constructive Admission]

Article 159-(1) Where a party, at oral hearing, does not make it clear that he/she denies the fact alleged by the opponent, he/she shall be deemed to have admitted such fact,...

In this case as well, the constructive admission was applied because the Defendant did not file a counter-statement and did not appear at the oral hearings. Therefore, the Defendant was deemed to have admitted all the facts alleged by the Plaintiff DHC.

Despite that, the IP High Court dismissed DHC's petition and upheld the Trial Decision.

The court confirmed the facts that DHC started the sales of their "DEEP CLEANSING OIL" in December 1995 and became No.1 in the cleansing oil business as the result of the

enormous advertising such as news papers, magazines and TV CM.

However, the court denied the fact that DHC's "DEEP CLEANSING OIL" was well-known among the consumers at the time of the Defendant's trademark application, i.e. November 6, 2009. This is because at least 11 cosmetic companies other than DHC sold the cleansing oils under the names including "DEEP CLEANSING OILS" from 2001 to 2010. In addition, DHC did not file any trademark applications and did not make any claims against these other companies under the Unfair Competition Prevention Law. Therefore, the name "DEEP CLEANSING OIL" became a generic name for cleansing oils.

You will see that the facts that are subject to the constructive admission are only the facts and legal matters such as whether a trademark became well-known or not are not subject to the constructive admission.

Thus, the Korean company has become unable to make any legal claims on the generic word "DEEP CLEANSING OIL" in the registered trademark and the distinctive part of the registered trademark is only the Korean script.

However, the IP High Court also stated that the Korean script could not be read nor understood by almost Japanese people and therefore, the Korean script did not have any pronunciation nor meanings. In that case, we wonder if the Korean company's registered trademark can actually function as a trademark by distinguishing one from others only with its appearance in the Korean script.