

Latest Court Decisions

2017:

[May]

• [LOCKON Case \(Trademark Injunction Case\)](#)

Osaka District Court 2017.5.11 H28(Wa)6268

[SUMMARY/INTRODUCTION]

Article 26-1 of the Japanese Trademark Law provides that a trademark right shall have no effect on a trademark indicating, in a common manner, one's own portrait, name, famous pseudonym, professional name, pen name or abbreviation thereof.

The Plaintiff, the proprietor of the registered trademark "Lock on (device)", sued for an injunction against the use of the Defendant's corporate name "株式会社ロックオン (= KABUSHIKI KAISHA LOCK ON)".

What was the Court decision ?

[Case]

Article 26-1-(1) of the Trademark Law provides as follows:

[Japanese Trademark Law]

Article 26-1: A trademark right shall have no effect on any of the following trademarks
(1) a trademark indicating, **in a common manner**, one's own portrait, name, famous pseudonym, professional name, pen name or **famous abbreviation thereof**;

The registered trademarks of the Plaintiff are the word mark "Lockon" in English and Katakana letters and the device mark "Lock on" (right) in Classes 9 and 42.



The Defendant used its trade name "株式会社ロックオン (=KABUSHIKI KAISHA LOCK ON)" in the following 5 patterns for APS (Application Service Provider) services for manufacturing and supporting homepages on smartphones.

MARK (1)

株式会社ロックオン

MARK (2)

株式会社ロックオン

MARK (3)

LOCKON

MARK (4)

LOCKON CO.,LTD.

MARK (5)



The Trademark Law requires that a trade name has to be used in a common manner without infringing other party's trademark right.

In the subject case, the Defendant's formal trade name is "株式会社ロックオン" in Kanji characters and Katakana letters = KABUSHIKI KAISHA LOCK ON.

The Osaka District Court decided that MARK (2) ~ (5) infringed the Plaintiff's trademark right while MARK (1) did not infringe the Plaintiff's trademark right with the following reasons.

① MARK (1)

The trade name "KABUSHIKI KAISHA LOCK ON" was used in plain block letters in a contributed article to the FACEBOOK indicating the contributor and therefore, this use was in a common manner.

② MARK (2)

The trade name "KABUSHIKI KAISHA LOCK ON" was used in combination with the "L" letter design which was a Defendant's registered trademark and therefore this use was not in a common manner, but as a trademark.

③ MARK (3)

"LOCKON" was an abbreviation of the Defendant's English name "LOCK ON CO., LTD." and therefore, the Defendant's trade name was not used in a common manner and such an abbreviation name was not well known.

④ MARK (4)

"LOCK ON CO., LTD." was used in a rounded design letters, especially the letter "K" in "LOCK" was distinctively designed. In addition, it was used noticeably in a distinctive manner on the top page of the Defendant's website. Therefore, it was used as a trademark.

⑤ MARK (5)

The trade name "KABUSHIKI KAISHA LOCK ON" was used in a combination mark together with the design letter "L" and the corporate slogan "Impact on The World" which were the Defendant's registered trademarks. Therefore, it was used as a trademark.

In Japan, use of a trade name will have no problem even if a similar trademark is registered, according to Article 26-1-(1) of the Trademark Law. In this Article, a "trade name" means a formal trade name registered as a corporate name at an official corporate register.

In Japan the word "KABUSHIKI KAISHA" (=joint stock company) has to be contained in a corporate name. For instance, when "KABUSHIKI KAISHA ABC" is a registered corporate name, use of "ABC" without "K.K." is not regarded as use of a trade name. Since "ABC" is an abbreviation of a trade name, it might infringe on other party's trademark right as long as such an abbreviation is not well known to consumers.

Even when a formal registered trade name is used, if a main part of a formal trade name is used in bigger fonts than the "KABUSHIKI KAISHA" part, or in design lettering or, in color different from the "KABUSHIKI KAISHA" part, such use will not be regarded as a trade name under Article 26-1-(1) of the Trademark Law.

Therefore, it is advisable in Japan to register as a trademark a main part of your corporate name for related goods and services.

Article 26-2 of the Trademark Law provides that Article 26-1-(1) shall not apply where one's own portrait, name, famous pseudonym, professional name, pen name or famous abbreviation thereof is used for the purpose of unfair competition.

Article 26-1-(2) and (3) also provides that use, in a common manners, of descriptive words such as generic names of goods or services, place names of origin, sales place names, qualities, raw materials, quantities, and shapes of goods or packages will not infringe on a trademark right.