

## Latest Court Decisions

2018:

[September]

- **TOP-SIDER (Cancellation Suit)**

**IP High Court 2018.9.26 H30(Gyo-Ke)10053**

### **[SUMMARY/INTRODUCTION]**

Kent Japan K.K. (the Plaintiff) is a proprietor of a Japanese trademark registration for the word mark "**TOP-SIDER**" (right upper) for clothing, sweaters etc. in Class 25. Suijinsha was licensed to use the "TOP-SIDER" word trademark for shirts by Kent Japan.

# TOP-SIDER



Suijinsha used the licensed trademark in design as the word "TOP-SIDER" in cloud like device with a yacht device (right middle) which was quite similar to the device mark (right lower) of a US corporation, Sperry Top-Sider LLC (the Defendant).



The US corporation's trademark was registered for "footwear" after the registration of Kent Japan's trademark. This means that Suijinsha used the licensed word mark in a similar design to the trademark registered after Kent Japan's trademark.

Then, Kent Japan's trademark was cancelled by a trial filed by Sperry Top Sider LLC under Article 53-1 of the Trademark Law and Kent Japan brought the case before the IP High Court.

What was the Court decision ?

### **[Court Decision]**

The **Article 53-1** of the Trademark Law provides as follows.

Where a holder of exclusive right to use or non-exclusive right to use uses a registered trademark in connection with the specified goods or specified services or in connection with goods or services similar thereto, 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 the business of another person, any person may file a petition for a trial for cancellation of the trademark registration; provided, however, that this shall not apply to the case where the proprietor of trademark right was not aware of the fact and using due care.

This cancellation action is called as “Cancellation by Unfair Use by Licensee” while the cancellation by unfair use by the trademark proprietor himself is provided in Article 51-1 of the Trademark Law.

The TOP-SIDER brand deck shoes with grooved gum rubber soles were born in Connecticut, USA in 1935 as shoes which did not slip even on deck of ship and had become well-known in Japan as deck shoes made in USA at around 2000.

The TOP-SIDER brand had been widely announced in Japan in various kinds of books and magazine from 1977 to 2013. It also appeared in the novel “Kafka on the Shore” by Haruki MURAKAMI and in the Random House Dictionary of the English Language.

In view of these facts, the IP High Court admitted the well-knownness of the TOP-SIDER trademark for deck shoes in Japan.

While the TOP-SIDER trademark was well known for deck shoes, the licensee, Suijinsha, of the Plaintiff, Kent Japan, used the TOP-SIDER trademark for shirts. Would any confusion between deck shoes and shirts happen ?

The IP High Court affirmed the possibility of confusion since deck shoes and shirts were frequently unified by the identical brand and sold at a same shop and therefore, consumers could misunderstand that these shirts and deck shoes were manufactured or sold by the same origin of goods.

Article 53-2 of the Trademark Law prohibits the trademark proprietor and its licensee re-registering the cancelled trademark or a similar trademark thereto for the specified goods or services or those similar thereto, until before a lapse of five years from the date the trial decision cancelling the trademark registration.