

Latest Court Decisions

2019:

[September]

- **SIGNATURE Case (Cancellation Suit)**

IP High Court 2019.9.12 H31(Gyo-Ke)10020

[SUMMARY/INTRODUCTION]

CTBAT International Company Limited known by the cigarette brand "State Express 555" filed a trademark application for "**SIGNATURE** / No. / 555 / State Express & device" (right) for "tobacco, cigarettes, etc." in Class 34.

The application was rejected due to the prior registered trademark "**SIGNATURE** (word)" owned by the cigarette brand "GUDANG GARAM".

CTBAT brought the case before the IP High Court demanding cancellation of the JPO's trial decision.



The IP High Court firstly confirmed the following facts. The word "SIGNATURE" has a meaning such as "signature, sign, characteristic" in nouns, and an adjective "characteristic, typical, representative, special, recommended". "Signature model" means "a model named of a celebrity or the same special specification model used by that celebrity".

Next, in the cigarette industry, "DUNHILL" used "SIGNATURE BLEND", "CAMEL" used "signature", "Davidoff" used "signature", and "W.O. Larsen" used "SIGNATURE". In addition to the cigarette industry, "SIGNATURE MODEL"s were used in the musical instrument industry.

The Court also mentioned that there were 5 registered trademarks specifying cigarette including the word "SIGNATURE", such as "Vogue/LA SIGNATURE", "CAFE/IQOSignature", and "PHILIP MORRIS/SIGNATURE".

Under these facts, what was the Court decision ?

[Court Decision]

The IP High Court ruled that the CTBAT'S trademark was confusingly similar to the cited trademark "SIGNATURE".

As to the appearance, the Court said that the word "SIGNATURE" in the subject trademark was displayed apart from the center figure part with the space and that the size of the word was almost the same width as the center "555". The word "SIGNATURE" was slightly larger than the words of "No." and "STATE EXPRESS". Therefore, the word "SIGNATURE" could not be recognized as one with the figure part and it displayed in a conspicuous manner as a trademark.

Regarding the fact that the word "SIGNATURE" was used in other companies' cigarette brands, the Court did not take into account the fact in the judgement because these use cases are only 4 brands, and the websites introducing these products were displayed in English, and there was no evidence that these cigarettes were sold in Japan.

Furthermore, the Court said that the use of the "signature model" could not be deemed to have the meaning of "characteristic brand" or "representative brand" and it was not generally known by Japanese people.

In addition, different types of cigarettes were prepared according to differences in taste, tar content, etc., and although there were associative displays such as "MENTHOL" and "LIGHT" as the second indication, some were not related to taste or tar quantity such as "CABIN RED", "CASTER WHITE", "SPARK" and "Luckies" that were considered by traders and customers as trademarks since these indications did not explain the properties of cigarettes.

On the other hand, the Court considered the use of the cited trademark "SIGNATURE" that the owner of the cited trademark sold the cigarette with the main brand "GUDANG GARAM", that among them there was a sub-brand "SIGNATURE". In this package, the main brand "GUDANG" and "GARAM" were displayed in large size in the lower center, and "SIGNATURE" was displayed in cursive font in the upper part. This meant that the cited trademark was not used in a descriptive meaning.

The IP High Court concluded by considering the whole facts comprehensively that the subject trademark was confusingly similar to the cited trademark.

Do you agree to this Court decision ? The Court said that the word "SIGNATURE" itself could be used as a trademark when smokers select the cigarette that they want to smoke. This means that smokers can buy cigarettes even without saying main brands of cigarettes

such as DUNHIL, CAMEL, PHILIP MORRIS, MARLBORO, LARK, KENT, LUCKY STRIKE and PARLIAMENT.

However, we believe that smokers firstly select cigarettes with the main brand and then they select ones they want by the second brands according to the taste, tar content, menthol or light.

Furthermore, as the Court decision indicated, there were the cigarettes sold under the name "SIGNATURE" such as "DUNHIL/SIGNATURE BLEND", "CAMEL/Signature", "DAVIDOFF/signature" and "W.O. Larsen/SIGNATURE".

Under these situations, cigar store person could not understand the cigarette that the customer wants just being told as "SIGNATURE".

In addition, as the Court decision also stated, there were five trademark registrations including the word "SIGNATURE". This suggests that cigarette brands including the word "SIGNATURE" will increase in the future. If that is the case, use of the word "SIGNATURE" should be free in the cigarette industry in Japan.