

Date	December 17, 2013	Court	Intellectual Property High Court, Second Division
Case number	2013 (Gyo-Ke) 10158		
– With regard to the trademark consisting of the standard characters, "LADY GAGA," for the designated goods: Class 9, "phonograph records; music files that can be downloaded from the Internet and stored; projection films, recorded video discs and video tapes," there is no error in the JPO decision that found that the trademark falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act.			

Reference:

Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act

With regard to the trademark (the "Trademark") consisting of the standard characters, "LADY GAGA," for the designated goods: Class 9, "phonograph records; music files that can be downloaded from the Internet and stored; projection films, recorded video discs and video tapes," the plaintiff, who had received an examiner's decision of refusal, filed a request for a trial against this decision. In response, the JPO made a trial decision to reject the request on the grounds that the Trademark falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act. The plaintiff instituted this action to seek rescission of the JPO decision.

The court upheld the JPO decision based on the holdings as outlined below.

"LADY GAGA" is known widely around the world, including in Japan, as a female singer from the United States, and it is found that persons who see the Trademark consisting of the alphabetical characters, "LADY GAGA," would easily recognize it as an indication of that singer's name.

Accordingly, when the trademark in the application is used for the goods in question, i.e., "phonograph records; music files that can be downloaded from the Internet and stored; projection films, recorded video discs and video tapes," among its designated goods, traders and consumers who see the Trademark would recognize it as an indication of the person who sings the recorded songs or appears and performs singing in the videos recorded in these goods, or in other words, they would recognize it as an indication of the quality (content) of the goods. Thus, the Trademark cannot serve as a mark to distinguish the plaintiff's goods from others. Consequently, the Trademark falls under Article 3, paragraph (1), item (iii) of the Trademark Act.

If the Trademark is used for the goods in question, i.e., "phonograph records; music

files that can be downloaded from the Internet and stored; projection films, recorded video discs and video tapes," which do not provide the quality (content) of the singing by LADY GAGA, the Trademark is likely to give the misleading impression that LADY GAGA is singing in these goods and mislead people as to the quality of the goods. Consequently, the Trademark falls under Article 4, paragraph (1), item (xvi) of the Trademark Act.

There is no denying that, with regard to some particular traded goods, a name of a person or a group is indicated on said goods may have a source indicating function, but with regard to the goods in question, it should be understood that traders and consumers would firstly recognize the name of the person or the group indicated thereon as an indication of the quality (content) of the goods. Moreover, in cases where an indicated name of a person or a group is the name of a famous singer or music group, traders and consumers would merely recognize it as an indication of the quality (content), and it is found to be usually difficult for them to understand said name separately as an indication of the source of said goods.

Judgment rendered on December 17, 2013

2013 (Gyo-Ke) 10158 Case of Seeking Rescission of JPO Decision

Date of conclusion of oral argument: October 17, 2013

### Judgment

Plaintiff: Ate My Heart Inc.

Defendant: Commissioner of the Japan Patent Office

### Main text

1. The plaintiff's claim shall be dismissed.
2. The plaintiff shall bear the court costs.
3. The additional period for filing a final appeal and a petition for acceptance of final appeal against this judgment shall be set as 30 days.

### Facts and reasons

#### No. 1 Judicial decision sought by the plaintiff

The trial decision rendered by the JPO on January 28, 2013, with respect to Case of Trial against Examiner's Decision of Refusal No. 2011-27961 shall be rescinded.

#### No. 2 Outline of the case

This is a case to seek rescission of the JPO decision that dismissed the claim in the request for a trial against an examiner's decision to refuse the plaintiff's application for trademark registration. The major issue of the case is whether the trademark in question (the "Trademark") falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act.

##### 1. Developments in the proceedings before the JPO

On March 28, 2011, the plaintiff filed an application for registration of the Trademark, which consists of the standard characters, "LADY GAGA," for the designated goods in Class 9, "phonograph records, music files that can be downloaded from the Internet and stored, projection films, and recorded video discs and video tapes." This application for trademark registration (Trademark Application No. 2011-21592) was made by dividing, as prescribed in Article 10, paragraph (1) of the Trademark Act, an earlier application for trademark registration filed on April 12, 2010 (Trademark Application No. 2010-28913) for the designated goods and services in Classes 3, 9, 14, 16, 18, 25, and 41. Since the divisional application was refused by the JPO examiner, the plaintiff filed a request for a trial against said examiner's decision.

After conducting the proceedings for the request as Case of Trial against Examiner's Decision of Refusal No. 2011-27961, the JPO rendered a trial decision on January 28, 2013, to dismiss the claim in the request. A certified copy of this JPO decision was served on the plaintiff on February 7, 2013.

## 2. Main reasons for the JPO decision

The main reasons for the JPO decision are as follows. If the Trademark consisting of the set of characters, "LADY GAGA," which is widely recognized as representing the name of a famous female singer from the United States, is used for some of the designated goods, namely, "phonograph records, music files that can be downloaded from the Internet and stored, and recorded video discs and video tapes" (hereinafter collectively referred to as the "Goods"), traders and consumers who see the Trademark would recognize it as an indication of the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods, or in other words, they would recognize it as an indication of the quality (content) of the Goods. Therefore, it must be said that the Trademark cannot serve as a mark to distinguish its holder's goods from others. Furthermore, if the Trademark is used for any of the designated goods which have nothing to do with the abovementioned "LADY GAGA" (レディ (一) ・ ガガ [redī gaga]), it is likely to mislead people as to the quality of the goods. Consequently, the Trademark falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act.

(omitted)

## No. 5 Court decision

### 1. Distinctiveness of the Trademark

(1) The Trademark consists of the standard characters, "LADY GAGA." There is no dispute between the parties with respect to the following facts concerning the alphabetic characters "LADY GAGA," and their phonetic transcription in katakana characters, "レディ (一) ・ ガガ" (redī gaga).

A. "LADY GAGA" (レディ (一) ・ ガガ [redī gaga]) is a female singer from the United States whose real name is "A." She made her debut with her first album "The Fame" in 2008 (and in May 2009 in Japan; this album ranked top in the chart in six countries in the world). Since then, she has released albums and singles, enjoying popularity around the world.

B. "LADY GAGA" (レディ (一) ・ ガガ [redī gaga]) won the Grammy Awards and other awards and holds Guinness Book records. In the US Billboard Charts, she was

recognized as the 2010 Artist of the Year, and was also recognized as the best-selling artist in 2010. She was further ranked in the 100 Most Influential People selected by a US magazine, *TIME*, and in the 100 Most Powerful Women selected by another US magazine, *Forbes*.

C. "LADY GAGA" (レディ (一)・ガガ [redī gaga]) enjoys popularity in Japan as well. Her first album, "The Fame," became a hit, and the tickets for the four stages in her concert tour in Japan in April 2010 were sold out. She even appeared in a video aired during the annual year-end song festival on TV (Kohaku Uta Gassen), and after the Great East Japan Earthquake, she offered help and carried out various volunteer activities to support the reconstruction process (including visiting Japan).

(2) Given all these facts, it is found that "LADY GAGA" (レディ (一)・ガガ [redī gaga]) is widely known in the world including Japan as a female singer from the United States, and that people who see the Trademark consisting of the alphabetic characters, "LADY GAGA," can easily recognize it as an indication of the name of this singer.

In that case, if the Trademark is used for the Goods among the designated goods, namely, "phonograph records, music files that can be downloaded from the Internet and stored, and recorded video discs and video tapes," traders and consumers who see the Trademark would recognize it as an indication of the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods, or in other words, they would recognize it as an indication of the quality (content) of the Goods. Therefore, the Trademark cannot serve as a mark to distinguish its holder's goods from others. Consequently, the Trademark falls under Article 3, paragraph (1), item (iii) of the Trademark Act.

Furthermore, if the Trademark is used for any of the Goods, namely, "phonograph records, music files that can be downloaded from the Internet and stored, and recorded video discs and video tapes," which do not feature the quality (content) of the singing of "LADY GAGA" (レディ (一)・ガガ [redī gaga]), the Trademark is likely to give the misleading impression that "LADY GAGA" (レディ (一)・ガガ [redī gaga]) is singing in these goods and mislead people as to the quality of the goods. Consequently, the Trademark falls under Article 4, paragraph (1), item (xvi) of the Trademark Act.

In conclusion, there is no error in the JPO decision that found that the Trademark falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act.

## 2. Grounds for Rescission 1

(1) As Grounds for Rescission 1, the plaintiff alleges that the JPO made errors in determining the Trademark's distinctiveness for distinguishing its holder's goods from

others, because the determination was based on the indications on the surfaces of media of "phonograph records" and others, and focusing only on limited methods of using the Trademark.

However, the JPO determined that the Trademark falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act, explaining that if the Trademark is used for the Goods, namely, "phonograph records, music files that can be downloaded from the Internet and stored, and recorded video discs and video tapes," traders and consumers who see the Trademark would recognize it as an indication of the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods. This determination was made based on ordinary indications on the surfaces of media or jackets of the Goods, and it was not limited to any specific method of indicating the Trademark. Thus, the JPO cannot be deemed to have focused only on limited methods of using the Trademark when making said determination.

(2) The plaintiff further alleges as follows. There is no special need to exclude, without exception, trademarks consisting of characters that represent "names of singers or bands (names of authors)," like the Trademark, from the scope of registrable trademarks. Even if any such trademark is registered, relief may be available under Article 26, paragraph (1) of the Trademark Act, and no particular problem would arise. Therefore, the Trademark should be allowed to be registered.

However, Article 26, paragraph (1) of the Trademark is a clause that provides for the effect of a trademark right for a trademark that has received a decision of registration. Even though it may be possible to restrict the effect of a trademark right by applying this provision, this obviously would not relax the criterion for the applicability of Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act, which provide for the requirements for making decisions on the registrability of a trademark.

(3) The plaintiff points out the realities of transactions in this industry, such as that some singers and bands share common names with their management companies or others use their names as the names of their labels, as well as the possibility that the plaintiff, the company in which "LADY GAGA" serves as the representative, will change its name to "LADY GAGA, Inc." in the future. Based on these, the plaintiff alleges that the JPO made errors in determining whether the Trademark meets the registrability requirements based on the assumption that there is no such future possibility.

However, as long as "LADY GAGA" (レディ (一) ・ ガガ [redī gaga]) remains

widely known in the world including Japan as a female singer from the United States, if the Trademark is used for the Goods, namely, "phonograph records, music files that can be downloaded from the Internet and stored, and recorded video discs and video tapes," traders and consumers who see the Trademark would recognize it as an indication of the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods. It does not matter who the applicant for registration of the Trademark is or what the applicant's name is. The plaintiff's allegation assumes that when a corporation established by a singer or band under the same name as the singer or band files an application for registration of its own name as a trademark, the JPO would avoid making determination as to the applicability of Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act or would apply a relaxed criterion, even if the name of the singer or band is widely known. This allegation is clearly groundless.

Consequently, the JPO decision does not contain the errors alleged by the plaintiff, and Grounds for Rescission 1 are unacceptable.

### 3. Grounds for Rescission 2

(1) The plaintiff alleges that it is difficult to understand and identify abstract and ambiguous concepts such as singing ability and performing ability, which are derived from a singer's talent or skills, as a specific quality based on a certain clear criterion, and therefore that the Trademark, even though it is identical with the "name of the singer," cannot immediately make people understand any specific property or quality in relation to the goods such as phonograph records.

However, in relation to the Goods among the goods designated for the Trademark, namely, "phonograph records, music files that can be downloaded from the Internet and stored, and recorded video discs and video tapes," the identity of the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods is the major quality (content) of the Goods. Thus, there are no grounds for the plaintiff's allegation.

(2) The plaintiff further alleges as follows. In light of the purpose of the Trademark Act that provides strong protection particularly for well-known and famous trademarks, the Trademark must be allowed to be registered if it is "widely known in the world including Japan." If the plaintiff is not allowed to have the Trademark registered and the Trademark is made available to a third party for using it as a trademark, this would lead to undermining Ms. A's fame and reputation and causing confusion as to the source of goods among traders and consumers who see the Trademark.

However, as explained in 1(2) above, the Trademark, which can be easily

recognized by traders and consumers as an indication of the name of the singer who is widely known in the world including Japan, cannot serve as a mark to distinguish its holder's goods from others in terms of the Goods among the designated goods. Since the Trademark cannot serve as a mark to distinguish its holder's goods from others, if it is used for the Goods as an indication, it could cause confusion as to the quality (content) but would not cause confusion as to the source of goods. Thus, there are no grounds for the plaintiff's allegation.

(3) The plaintiff, while citing some registered trademarks as examples, alleges that there would be no problem with allowing registration of a trademark consisting of the characters representing the name of a singer, because such trademark does not immediately indicate any specific quality in relation to the goods such as phonograph records.

However, as explained in 3(1) above, in relation to the Goods, the identity of the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods is the major quality (content) of the Goods. Also as explained in 1(2), if the Trademark is used for any of the Goods which do not feature the singing of "LADY GAGA" (レディ (ー) ・ ガガ [redī gaga]), the Trademark is likely to mislead people as to the quality of the goods. This finding is not affected by the existence of the examples of registered trademarks cited by the plaintiff.

Thus, there are no grounds for the plaintiff's allegation.

(4) Consequently, the JPO decision does not contain the errors alleged by the plaintiff, and Grounds for Rescission 2 are unacceptable.

#### 4. Grounds for Rescission 3

As Grounds for Rescission 3, the plaintiff alleges that the JPO made errors in determination because it overlooked the fact that the names of singers, etc., like the Trademark, actually serve as marks to distinguish trademark holders' goods from others.

In the context of transactions of the Goods, it seems to be common for traders and consumers to choose goods by seeing the names of the singers and bands, rather than by seeing the names or logos of the recording companies or labels that sell the goods. There is no dispute between the parties with respect to this fact. As explained in 1(2) above, this may be because traders and consumers, due to the nature of the Goods, pay the most attention to the person who sings the songs recorded in the Goods or who appears and performs singing in the videos recorded in the Goods and consider this factor as the quality (content) of the Goods. Although it cannot be denied that, depending on goods to be traded, the names of persons or groups could have the function to indicate the source when they are indicated on the goods, one must say that



in the case of the Goods, traders and consumers would first recognize the names of persons or groups indicated on the goods as the quality (content) of the goods. If the names of persons or groups indicated on the goods are those of famous singers or bands, traders and consumers would recognize these names only as the quality (content) of the goods, and it would usually make it difficult for them to understand these names as indicating the source of the goods.

Consequently, the JPO decision does not contain the errors alleged by the plaintiff, and Grounds for Rescission 3 are unacceptable.

#### No. 6 Conclusion

According to the above, none of the grounds for rescission alleged by the plaintiff are acceptable. Therefore, the plaintiff's claim shall be dismissed, and the judgment shall be rendered in the form of the main text.

Intellectual Property High Court, Second Division

Presiding judge: SHIMIZU Misao

Judge: IKESHITA Akira

Judge: SHINTANI Takaaki