

Date	September 14, 2011	Court	Intellectual Property High Court, Third Division
Case number	2011 (Gyo-Ke) 10086		
<p>○ A case in which the court demonstrated its determination on the scope of the right for a trademark (the trademark has a "figure of a musical note" between two words, "Blue Note") for the designated services, "retailing and other services."</p>			

References:

Article 4, paragraph (1), items (xv) and (xix) of the Trademark Act

1. The trademark in question (hereinafter the "Trademark") is a trademark described under the column, "Trademark in Question," in an exhibit to the judgment, and it has a "figure of a musical note" between two words, "Blue Note." The designated services of the Trademark are "retailing and other services" as described under the column, "Designated Services," in an exhibit to the judgment, which consist of "provision of benefits to consumers in the retail or wholesale business in which various goods concerning clothing, food and drinks, and necessities are handled in bulk" (Comprehensive Retailing and Other Services) and provision of benefits to consumers in the business of retailing or wholesaling goods of specified kinds, such as fabrics and bedding (Specified Retailing and Other Services).

The defendant is the holder of the trademark right for the Trademark. The plaintiff filed a request for a trial for invalidation, asserting that the registered trademark in question falls under Article 4, paragraph (1), items (xv) and (xix) of the Trademark Act (hereinafter referred to as the "Act") while citing a trademark, "BLUE NOTE" or "ブルーノート," which is famous as a jazz label. However, the Japan Patent Office (JPO) rendered a decision to the effect that the request for a trial is to be dismissed. In response, the plaintiff filed this case to seek rescission of the JPO decision.

The JPO determined as follows. (i) The well-knownness of the cited trademark is limited to "records (including CDs)" (hereinafter referred to as "records, etc."), and the designated services of the trademark do not include services relating to records, etc. Even if the Trademark is used in connection with its designated services, it is not likely to cause confusion as to the source. Therefore, the Trademark does not fall under Article 4, paragraph (1), item (xv) of the Act. (ii) Based on all assertions made and evidence submitted by the plaintiff, it is not possible to conclude that the Trademark is based on the cited trademark and is used for unfair purposes. Therefore, the Trademark does not fall under item (xix) of said paragraph.

2. The major issues of this case were whether the Trademark falls under Article 4, paragraph (1), item (xv) of the Act and whether the Trademark falls under item (xix) of

said paragraph. The Intellectual Property High Court dismissed the plaintiff's claim. The holding concerning the former issue is as outlined below.

The act of "rendering a decision to the effect that a trademark for retailing and other services is to be registered" or the act of "registering such a trademark" is an administrative act of granting an exclusive right, etc. Therefore, it is essential that the content, form, etc. of "services" designated as those which fall within the scope of the exclusive right are specified at least by terms indicating the services themselves. The expression, "trademark for retailing and other services," deviates materially from the requirement of clarification of the scope of the exclusive right, and is not clearly limited by the content of benefits to be provided, form of act, purpose, etc. Without any reasonable interpretation, there is room to understand and recognize the content, form of act, etc. of "services," indicated by the expression, "provision of benefits," in an infinitely expanded manner. This causes a doubt that the scope of the exclusive right granted extends to an infinitely expanded scope, which may cause a situation that is undesirable from the perspective of ensuring equity between the holder of the trademark right and third parties and thereby promoting smooth transactions between them.

For the "Specified Retailing and Other Services," services, that is, provision of benefits in the business of retailing, etc. specified goods, are regarded as being specified (clarified) by the business purpose, that is, the retailing, etc. of the specified goods. In this case, it is also reasonable to understand that the scope of the exclusive right which the holder of the trademark right has in relation to the Specified Retailing and Other Services is limited to the forms of services, which are recognized as in a means-end relationship with the business of retailing, etc. specified goods, out of all services provided in the business of retailing, etc., in light of a reasonable generally accepted idea in commercial trade (in relation to infringements, similar forms of services are included).

For the "Comprehensive Retailing and Other Services," it is reasonable to understand that the scope of the exclusive right which the holder of the trademark right has in relation to the Comprehensive Retailing and Other Services is limited to the forms of services, which are recognized as in a means-end relationship with the business of retailing, etc. in which "various goods concerning clothing, food and drinks, and necessities" are "handled in bulk," out of all services provided in the business of retailing, etc., in light of a reasonable generally accepted idea in commercial trade (in relation to infringements, similar forms of services are included). In this case, the scope of the exclusive right which the holder of the trademark right

has in relation to the Comprehensive Retailing and Other Services should be understood as above. Even if there is the fact that a third party has used a trademark that is identical with, or similar to, the Trademark, if he/she does not use it in connection with the form of services (including similar ones) as a means of the business of retailing, etc. in which "various goods concerning clothing, food and drinks, and necessities" are "handled in bulk," the use should not be included in the scope of the exclusive right for the Comprehensive Retailing and Other Services (the meaning of "use" of the trademark for Comprehensive Retailing and Other Services by the holder of the trademark right, etc. should be understood in the same manner in the trial for invalidation of the trademark registration). Without understanding the scope of the exclusive right for a "trademark for the Comprehensive Retailing and Other Services" in this way, it is impossible to avoid the overlapping between the scope of the exclusive right for the "trademark for the Specified Retailing and Other Services" and the scopes of the exclusive rights for other such trademarks.

Based on the above, the court determines that the Trademark is not likely to cause confusion with the source of goods in connection with which the cited trademark is used if it is used for its designated services. That is, the form of use of the plaintiff's cited trademark is limited to the sale, etc. of the goods, "records, etc.," or the provision of benefits in the course of the sale, etc. of said goods, and it is not included in the scope of the exclusive right which is protected as a result that the defendant has the trademark right for the designated goods, "Comprehensive Retailing and Other Services." Therefore, even if the defendant uses the Trademark for its services, consumers and transactors would not be confused or misled into believing that said services are provided by the plaintiff. Moreover, as the Specified Retailing and Other Services does not include "provision of benefits to consumers in the business of retailing or wholesaling the 'records, etc.,'" use of the Trademark in connection with the Specified Retailing and Other Services will not cause confusion as to the source in relation with the goods or services pertaining to the plaintiff's business. Therefore, the JPO decision to the effect that the Trademark does not fall under Article 4, paragraph (1), item (xv) of the Act is not erroneous in its conclusion.