

Date	December 26, 2012	Court	Intellectual Property High Court, Fourth Division
Case number	2012 (Ne) 10069		
<p>– A case in which the court held that the shape of goods itself would acquire a secondary meaning to indicate a specific source and would be regarded as an "indication of goods, etc." as provided for in Article 2, paragraph (1), item (i) of the Unfair Competition Prevention Act, if: (i) the shape of the goods has highly distinctive features that are objectively different from those of other goods of the same kind (specific distinctiveness): and (ii) the shape of the goods has become well known among consumers as an indication that goods with such shape are produced by a specific business operator, as a result of such shape being used by the specific business operator for a long period of time or being advertised very strongly or enjoying great sales performance (quality of being well-known).</p>			

References:

Article 2, paragraph (1), item (i) of the Unfair Competition Prevention Act

This is a case where the appellant sought an injunction against the manufacture and sale, etc., of the goods specified in the attached defendant's product list of the judgment in prior instance (hereinafter referred to as the "appellee's goods") under Article 3, paragraph (1) of the Unfair Competition Prevention Act by alleging that the appellee's act of selling the appellee's goods would cause confusion with the goods specified in the attached plaintiff's product lists 1 through 3 of the judgment in prior instance (hereinafter referred to as the "appellant's goods") and may be regarded as an act of unfair competition as prescribed in Article 2, paragraph (1), item (i) of said Act.

The court of prior instance dismissed the appellant's claim by holding that the common shape of the appellant's goods may not be regarded as an indication of goods, etc., as prescribed in Article 2, paragraph (1), item (i) of the Unfair Competition Prevention Act.

In this judgment, the court dismissed the appeal filed by the appellant by holding as follows.

"Article 2, paragraph (1), item (i) of the Unfair Competition Prevention Act provides that the use of an indication of goods, etc., that is identical or similar to another person's well-known indication of goods, etc., shall be regarded as an act of unfair competition. The purpose of this provision is to protect the source-indicating function of a well-known indication of goods, etc., by preventing any business operator from attracting customers by misleading or confusing them to believe that it is

the owner of the goodwill, which is, in fact, owned by another business operator, embodied in a well-known indication of goods, etc., so as to maintain fair competition among business operators.

The term 'indication of goods, etc.' as provided for in said item means 'a name, trade name, trademark, mark, container or package of goods, or any other indication of goods or trade pertaining to a person's business.' Unlike a trademark, etc., the shape of goods is not expected to indicate the source of goods in the first place. However, the shape of goods itself may acquire a secondary meaning to indicate the source of the goods. Where both of the following conditions are met, the shape of goods itself would acquire a secondary meaning to indicate a specific source and would be regarded as an 'indication of goods, etc.' as prescribed in Article 2, paragraph (1), item (i) of the Unfair Competition Prevention Act: (i) the shape of the goods has highly distinctive features that are objectively different from those of other goods of the same kind (specific distinctiveness); and (ii) the shape of the goods has become well known among consumers as an indication that goods with such shape are produced by a specific business operator, as a result of being used by the specific business operator for a long period of time or being advertised very strongly or enjoying great sales performance (quality of being well-known)."

"The common shape of the appellant's goods has such feature that consists of a loupe that has the configuration of glasses that would be put over the nose and ears and has a pair of lenses aligned in parallel. The feature that it can be worn over glasses may be regarded as the same as the features of previous products of other companies. Therefore, it cannot be said that the appellant's goods have highly distinctive features that are objectively different from those of other goods of the same kind.

One of the features of the common shape of the appellant's goods is the size of lenses that is 'large enough to allow the user to wear it over glasses.' None of the products of other companies such as Eschenbach Optik GmbH and Ikeda Lens Industrial Co., Ltd., have exactly the same feature. However, [...] there have been some products designed to allow users to wear a pair of lenses over glasses. Furthermore, various types of 'glasses-type loupe' with lenses varying in size have been sold and distributed. Therefore, it cannot be said that the configuration of the appellant's goods, which is characterized by having a pair of lenses aligned in parallel that is 'large enough to allow the user to wear it over glasses,' gives consumers a remarkably strong impression about the appellant's goods. Thus, the lens size as mentioned above cannot lead to the conclusion that the common shape of the appellant's goods has highly distinctive features that are objectively different from

those of other goods of the same kind.

As described above, it is reasonable to conclude that the common shape of the appellant's goods does not have highly distinctive features that are objectively different from those of other goods of the same kind and that the common shape of appellant's goods does not fall under an "indication of goods, etc." as provided for in Article 2, paragraph (1), item (i) of the Unfair Competition Prevention Act."