Date	January 24, 2013	Court	Intellectual Property High Court, Fourth Division
Case number	2012 (Gyo-Ke) 10285		

– A case in which, with regard to the decision of the Japan Patent Office ("JPO") that dismissed the request for a trial against the examiner's decision of refusal of the plaintiff's application for registration of the trademark "あずきバー" (Azuki bar; the "Trademark") for the designated goods, Class 30 "Confectionery containing Azuki beans," the court rescinded the JPO decision by holding that, since any trader or consumer who comes across the Trademark used for the designated goods associates it with a stick-type confectionery containing Azuki beans or Azuki bean paste, the Trademark may be regarded as a trademark that indicates the quality, raw materials or shape of the designated goods in a manner commonly used, and that, in consideration of the fact that the plaintiff started selling a stick-type frozen confectionery containing Azuki named "あずきバー" (Azuki bar; the "Product") in 1972, and the fact that the plaintiff achieved significant sales and conducted advertising activities and consequently raised the level of recognition of the Product, it may be recognized that the Product has achieved a high level of recognition, at least by the time when the JPO decision was made, among the traders and consumers of confectionery in Japan as a product manufactured and sold by the plaintiff, and that, while the Trademark consisting of the name of the Product written in standard letters has been used for the designated goods and has become a trademark by which consumers are able to recognize the goods or services as those pertaining to a business of a particular person, the Trademark may not be regarded as a trademark that could cause confusion with regard to product quality.

References:
Article 3, paragraph (1), item (iii), paragraph (2), Article 4, paragraph (1), item (xvi) of the Trademark Act

The plaintiff sought registration of a trademark consisting of standards letters, "あずきバー" (Azuki bar; the "Trademark") for the designated goods, Class 30 "Confectionery containing Azuki beans" and received an examiner's decision of refusal. Dissatisfied with this, the plaintiff filed a request for a trial against the examiner's decision of refusal.

The JPO found that (1) since any trader or consumer who comes across the Trademark would easily associate it with "ice cream bar made of Azuki beans," even if the Trademark is used for one of the designated goods "ice cream bar made of Azuki beans," it would be regarded as consisting solely of a mark that indicates the quality,

raw materials or shape of the goods (Article 3, paragraph (1), item (iii) of the Trademark Act), (2) since any trader or consumer who comes across the Trademark would easily associate it with "ice cream bar made of Azuki beans," if the Trademark is used for any other goods, it could cause confusion with regard to the quality of the goods (Article 4, paragraph (1), item (xvi) of said Act), and (3) the plaintiff has been involved, to a considerable extent, in this product called "あずきバー" (Azuki bar) i.e., ice cream bar containing Azuki beans (the "Product"), in terms of the sales period, sales volume, advertisement activities, etc., but, the trademark in use may not be regarded to be identical with the Trademark. Furthermore, since the trademark has been actually used solely for the goods, "ice cream bar made of Azuki beans," said goods may not be regarded as identical with the designated goods of the Trademark. On these grounds, the JPO dismissed said request by holding that the Trademark may not be regarded as a trademark whose use for the designated goods has made the consumers recognize that the goods bearing the Trademark pertain to the business of the plaintiff (the "JPO decision").

The court rescinded the JPO decision by holding as follows.

It is usually interpreted that any compound word consisting of the prefix "Azuki" and the name of a food means a food containing Azuki or any Azuki-derived ingredient and that, if the term "bar" is used as a part of the name of a confectionery, it means a stick-type confectionery. Therefore, if the Trademark is used for the designated goods, any trader or consumer who comes across the Trademark would associate it with a stick-type confectionery containing Azuki beans or Azuki bean paste. Since the Trademark simply consists of standard letters "あずきバー" (Azuki Bar), it is inevitable to conclude that the Trademark indicates the quality, raw materials or shape of the designated goods in a manner commonly used (Article 3, paragraph (1), item (iii) of the Trademark Act).

However, in view of the facts that the plaintiff started selling a stick-type frozen confectionery containing Azuki named "あずきバー" (Azuki bar; the "Product") in 1972, that the Product achieved significant sales (for example, 258 million bars sold in FY2010), that the plaintiff conducted advertising activities (for example, the fees for broadcasting TV commercials have surpassed 120 million yen per year since 2008), and that the Product has achieved a high level of consumer recognition thanks to these efforts of the plaintiff, it is reasonable to find that, at least by the time when the JPO decision was made, the Product has achieved a high level of recognition among the traders and consumers of confectionery in Japan as a product manufactured and sold by the plaintiff and therefore that the Trademark consisting of the name of the Product

written in standard letters, which has been used for the designated goods, has become a trademark by which consumers are able to recognize the goods as those pertaining to a business of a particular person (Article 3, paragraph (2) of the Trademark Act).

As explained above, if the Trademark is used for the designated goods, any trader or consumer of confectionary who comes across it would associate it with a stick-type confectionary containing Azuki beans or Azuki bean paste. Therefore, it is reasonable to find that the Trademark indicates the quality, raw materials or shape of the goods. However, since the Trademark does not cause any other special ideas concerning product quality, the Trademark may not be regarded as a trademark that could confuse consumers as to product quality (Article 4, paragraph (1), item (xvi) of the Trademark Act).