Date	February 17, 2016	Court	Intellectual Property High Court,
Case number	2015 (Gyo-Ke) 10134		Second Division
- A case in which, with respect to a trademark (the "Trademark") consisting of the			
Katakana characters "デュアルスキャン" (duaru sukyan) and the Alphabet letters			
"Dual Scan" written horizontally on two lines, the court found that the JPO decision,			
which dismissed a request for a trial for invalidation of the trademark registration on			
the grounds that the Trademark does not fall under Article 4, paragraph (1), item (xi)			
of the Trademark Act, is erroneous and rescinded said JPO decision.			

References: Article 4, paragraph (1), item (xi) of the Trademark Act Number of related rights, etc.: Trademark Registration No. 5576127, Trademark Registration No. 5160747

Summary of the Judgment

The trademark in question (the "Trademark") is a mark consisting of the Katakana characters " $\vec{\tau} \perp \vec{\tau} \perp \vec{\tau} \neq \nu$ " (duaru sukyan) and the Alphabet letters "Dual Scan" written horizontally on two lines, and has been registered by designating the goods covered in Class 9 "body weight scales with body fat measurements, body weight scales with body composition scales, body weight scales" (Date of decision of registration: March 21, 2013). The cited trademark is a trademark consisting of the Alphabet characters "DualScan" represented by standard characters and has been registered by designating the goods covered in Class 10 "body-fat monitors, body composition scales."

In its decision (Invalidation Trial No. 2013-890078), the JPO found that while the Trademark is similar to the cited trademark, the designated goods of the two marks are not similar, and thereby determined that the Trademark does not fall under Article 4, paragraph (1), item (xi) of the Trademark Act.

The issues are whether or not the designated goods of the two marks are similar. Specifically, the following points came into issue: [i] whether or not Class 9 and Class 10 are alternative; and [ii] whether or not consumers are likely to be misled or confused as to the source of goods based on the actual state of transaction activity.

In this judgment, the court held as follows and rescinded the JPO decision.

In light of the fact that a wide variety of goods and services are stated in a general and exhaustive manner in the international classification provided for in the Nice Agreement, it is appropriate to construe that it is not intrinsically supposed that specific goods would simultaneously belong to multiple classes in the appended table of the Ministerial Ordinance. Accordingly, it is impossible to assume that the goods that belong to Class 9 simultaneously belong to Class 10.

Yet, there is a wide variety of specific goods that can be described as "medical machines and apparatus" and there are some types that are not necessarily difficult for general consumers to obtain. Moreover, in the future, if high-performance but low-price products become popular as a result of technical innovation and changes in the transaction form and if machines and apparatus used for medical purposes come to be purchased and used also by the general consuming public, they may be misled or confused as to the source of goods ex-post facto. Accordingly, depending on the specific state of use or actual state of transaction activity, etc. of the goods for which the trademark is actually used, there are cases where it is not necessarily appropriate to presume that designated goods are not similar merely because they belong to different categories showing goods or services in the Examination Guidelines for Similar Goods and Services.

Based on the examination of the specific circumstances, at the time when the JPO decided to register the Trademark, "body-fat monitors, body composition scales" for medical purposes and "body weight scales with body fat measurements, body weight scales with body composition scales, body weight scales" for household use should be regarded as similar goods that are likely to mislead or confuse consumers as to the source of goods for the following grounds: [i] the general consuming public that constitutes the consumers of household body weight scales could acquire body composition scales and body weight scales for medical purposes, and moreover, such body composition scales and body weight scales for medical purposes were not only used in clinical practice but also at schools, workout gyms and companies, etc. and thus consumers of such body composition scales and body weight scales for medical purposes would not be limited to medical personnel but would also include school officials and employees of fitness-related companies and goods-purchasing departments and healthcare departments of companies in general; [ii] although medical personnel, which constitute part of the general consuming public, would observe the goods by paying more attention than the rest of the general consuming public, they would deal with, on a daily basis, both the products of the plaintiff and defendant, both of which manufacture products for medical purposes as well as those for household use and dominate the market for household products, and thus they face difficulties in differentiating the source of the products for medical purposes from that of the products for household use; and [iii] it is difficult to clearly differentiate the products for medical purposes and products for household use by their performance for reasons such that the general consuming public also includes such school officials and employees of fitness-related companies and goods-purchasing departments and healthcare departments of companies in general, that body weight scales and body composition scales for medical purposes and those for household use measure the same object, and that their performances are becoming similar, and thus it is difficult for the general consuming public to identify the difference in terms of accuracy.