

Trademark Right	Date	May 19, 2022	Court	Intellectual Property High Court, First Division
	Case number	2021 (Gyo-Ke) 10100		
<p>- A case in which the court determined that a trademark, for which the designated services are "educational and instruction services related to information management systems," etc. and which consists of "Scrum Master" indicated in standard characters, falls under a trademark consisting solely of a mark indicating the quality of the services in a common manner (Article 3, paragraph (1), item (iii) of the Trademark Act).</p>				

Case type: Rescission of Trial Decision to Maintain

Results: Granted

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

Related rights, etc.: Registration No. 6042646

Trial decision: Invalidation Trial No. 2019-890057

Summary of the Judgment

1. The Defendant filed an application for trademark registration of a trademark (a trademark consisting of "Scrum Master" indicated in standard characters; hereinafter referred to as the "Trademark") for "books," etc. in Class 16 as designated goods and "advertising and publicity services," etc. in Class 35 and "educational and instruction services related to information management systems, providing electronic publications," etc. in Class 41 as designated services. The Defendant received the examiner's decision for registration in April 2018 and establishment of the trademark right was registered in May 2018.

The Plaintiffs filed a request for a trial for invalidation of the trademark registration on the grounds that the Trademark falls under Article 3, paragraph (1), item (iii) of the Trademark Act. The Japan Patent Office (hereinafter referred to as the "JPO") determined that the registration of the Trademark for "books," etc. in Class 16 and "providing electronic publications," etc. in Class 41 from among the designated goods and designated services of the Trademark shall be invalidated and that the request for a trial concerning the remaining designated goods and designated services, including services, such as "educational and instruction services related to information management systems," etc. in Class 41 (hereinafter referred to as the "Designated Services") was groundless.

The Plaintiffs filed this lawsuit to seek rescission of the part related to the

Designated Services out of the aforementioned decision made by the JPO (hereinafter referred to as the "JPO Decision").

2. In this judgment, the court determined as stated below, and concluded that there were errors in the JPO Decision determining that the Trademark does not fall under Article 3, paragraph (1), item (iii) of the Trademark Act in relation to the Designated Services and rescinded the part related to the Designated Services from among the JPO Decision. (1) Article 3, paragraph (1), item (iii) of the Trademark Act stipulates that, concerning "the trademark consists solely of a mark indicating, in a common manner, in the case of services, the location of provision, quality, articles to be used in the provision, efficacy, intended purpose, modes, method or features including time, quantity or price of provision," it lacks the requirements for registration as a trademark. This is construed to be because such trademark is a mark to express and indicate, in the case of services, the location of the provision, quality, articles to be used in the provision, efficacy, intended purpose, and other features in relation to the designated services; any person would want to use the mark as a necessary and appropriate indication for transactions; and therefore, it is inappropriate for the public interest to approve exclusive use of the mark by a specific person; additionally, the mark is generally used and, in many cases, it lacks the ability to serve as a source identifier of services.

Then, in order to say that a certain trademark is a trademark consisting solely of a mark indicating the quality of the designated services in a common manner, it is understood to be enough for the trademark to be a necessary and appropriate indication for transactions as one indicating the quality of services in relation to the designated services, and when being used for the designated services, to be generally recognized by traders and consumers as an indication of service quality also into the future. It is construed that the trademark is not required to be actually used for the designated services.

(2) The Trademark consists of "Scrum Master" expressed in standard characters and is a combined trademark that is constituted by the term "Scrum" and the term "Master." The Trademark generates the pronunciation, "scrum master."

Based on the facts found in this case, it is found that, at the time of the examiner's decision for registration of the Trademark, the term "Scrum" was recognized to indicate one of the agile software development methods in the field related to computers and IT, and the term "Scrum Master" is recognized as indicating one of the roles in the "Scrum," which is one of the agile software development methods.

In addition, the term "master" generally means "owner, head, ruler," "to acquire, to become expert in," etc. Therefore, it is found that the term "Scrum Master" generates a

concept of a person who acquired "Scrum," which is one of the agile software development methods and a person who becomes an expert in "Scrum."

Then, if the Trademark is used for "education and training, workshops, and seminars, etc." that are included in the Designated Services, it can be said that traders and consumers understand that the education and training, etc. are for the acquisition of "Scrum," which is one of the agile software development methods, or are education and training, etc. related to a specific role in "Scrum." Therefore, it is reasonable to find that the Trademark is generally recognized to indicate the quality (details) of said services.

The Trademark is found to be comprised of standard characters and consist solely of a mark indicating the characters of "Scrum Master" in a common manner. Therefore, the Trademark is found to fall under a trademark consisting solely of a mark indicating the quality (details) of the Designated Services in a common manner (Article 3, paragraph (1), item (iii) of the Trademark Act).

Judgment rendered on May 19, 2022

2021 (Gyo-Ke) 10100, Case of seeking rescission of the JPO decision

Date of conclusion of oral argument: March 29, 2022

Judgment

Plaintiff: KDDI Corporation

Plaintiff: Scrum Inc.

Plaintiff: ESM, Inc.

Plaintiff: Scrum Inc. Japan

Plaintiff: Attractor Inc.

Plaintiff: agilergo consulting corp.

Plaintiff: OGIS-RI Co.,Ltd.

Plaintiff: Growth Architectures & Teams, Inc.

Plaintiff: atWare, inc.

Plaintiff: Kabushiki Kaisha Exin Japan

Plaintiff: Creation Line, Inc.

Plaintiff: ITpreneurs Japan/Asia Pacific Inc.

Plaintiff: Non-profit organization "Scrum Tokyo"

Defendant: Kabushiki Kaisha Ark

Main text

1. Out of the decision made by the Japan Patent Office (hereinafter referred to as the "JPO") on July 21, 2021, concerning Invalidation Trial No. 2019-890057, the part related to services stated in Attachment 2 of Trademark Registration No. 6042646 shall be rescinded.
2. The Defendant shall bear the court costs.

Facts and reasons

No. 1 Claim

Same as paragraph 1 of the main text.

No. 2 Outline of the case

1. Outline of procedures at the JPO

- (1) The Defendant is a holder of the trademark right for the following trademark, Trademark Registration No. 6042646, (hereinafter referred to as the "Trademark") (Exhibits Ko 2 and 396).

Trademark: Scrum Master (in standard characters)

Date of application for registration: June 19, 2017

Date of examiner's decision for registration: April 17, 2018

Date of registration of establishment: May 11, 2018

Designated goods and designated services: As stated in Attachment 1

(2) The Plaintiffs filed a request for a trial for trademark invalidation concerning the Trademark on September 27, 2019 (Exhibit Ko 379).

The JPO examined the request as Invalidation Trial No. 2019-890057. On July 21, 2021, the JPO made the following decision (hereinafter referred to as the "JPO Decision"): "From among the designated goods and designated services of Trademark Registration No. 6042646, registration related to Class 16 'teaching materials, books, periodicals, and printed matters' and Class 41 'providing electronic publications, providing still images, dynamic images, still images with sound, dynamic images with sound, videos, electronic publications, and educational information through telecommunications lines' shall be invalid. The request for a trial concerning the remaining designated goods and designated services is groundless." The certified copy was served upon the Plaintiffs on July 29, 2021.

(3) The Plaintiffs filed this lawsuit to seek rescission of the part related to services as stated in Attachment 2 (hereinafter referred to as the "Designated Services") out of the JPO Decision on August 27, 2021.

2. Summary of the grounds for the JPO Decision

(1) Grounds for the JPO Decision are as stated in Attachment, "Written Decision (copy)."

The summary of the JPO Decision is as follows: The Trademark for Class 16 "teaching materials, books, periodicals, and printed matters" and Class 41 "providing electronic publications, providing still images, dynamic images, still images with sound, dynamic images with sound, videos, electronic publications, and educational information through telecommunications lines" (hereinafter collectively referred to as the "Goods and Services" in some cases) from among the designated goods and designated services thereof falls under Article 3, paragraph (1), item (iii) and Article 4, paragraph (1), item (xvi) of the Trademark Act and, therefore, the registration should be invalidated pursuant to the provisions of Article 46, paragraph (1) of said Act; However, designated goods and designated services other than the Goods and Services do not fall under any of the main sentence, item (iii) and item (iv) of Article 3, paragraph (1), and item (vii) and item (xvi) of Article 4, paragraph (1) of said Act and, therefore, the registration should not be invalidated pursuant to the provisions of Article 46,

paragraph (1) of said Act.

(2) The summary of the grounds why the JPO Decision determined that the Trademark does not fall under Article 3, paragraph (1), item (iii) of the Trademark Act in relation to designated goods and designated services other than the Goods and Services is as stated below.

A. Taking account of the facts found in this case comprehensively, it can be said that as of the time of the examiner's decision for registration of the Trademark, "Scrum Master" was understood and recognized in the field related to computers and IT as a term representing one of the roles in a "Scrum," which is one of the agile software development methods.

B. In today's advanced information and communications network society, where the number of internet users has increased rapidly, the scope of any consumer group that intends to acquire knowledge about the software development methods has also expanded. The consumers who intend to acquire knowledge about the relevant development methods ordinarily turn to the use of books, education and training, workshops, seminars, and other means. It is found that books and articles mentioning "Scrum Master" had been published before the examiner's decision for registration of the Trademark from 2003 through 2017. Articles on certification systems, training, seminars, etc. related to "Scrum Master" were seen in magazines and websites, etc. that were published or created before the examiner's decision for registration of the Trademark from 2003 through 2018.

However, the evidence related to training and seminars, etc. specializing only in "Scrum Master" is limited and there is no concrete evidence on the explanation of the specific details thereof and the size or the frequency of the training and seminars, etc. In addition, it cannot be said that there are a large number of persons certified under the certification system for "Scrum Master."

Based on the above, it is difficult to say that the Trademark makes people understand that it is the services for "Scrum Master" from among the designated goods and designated services of the Trademark in a relationship with services related to education and training, workshops, and seminars, etc. in Class 41.

C. In a relationship with the Goods and Services, the Trademark only indicates the quality of the goods or the quality (details) of the services when it is used for goods and services for "Scrum Master" that is one of the roles in a "Scrum," which is one of the agile software development methods. The Trademark does not function as a source identifier of goods and services and, therefore, it falls under Article 3, paragraph (1), item (iii) of the Trademark Act.

On the other hand, according to evidence submitted by the Plaintiffs (demandants), concerning designated goods and designated services other than the Goods and Services, it cannot be said that the characters of the Trademark, "Scrum Master," are generally used as ones directly indicating the quality of goods and the quality of services, etc. and no special circumstances can be found to consider that traders and consumers who come across the Trademark recognize the Trademark as the quality of goods and the quality of services, etc. Therefore, it cannot be said that the Trademark indicates the quality of goods and the quality of services when being used for designated goods and designated services other than the Goods and Services. Therefore, the Trademark can fulfill the function as a source identifier of goods and services.

Consequently, the Trademark does not fall under Article 3, paragraph (1), item (iii) of the Trademark Act in relation to designated goods and designated services other than the Goods and Services.

3. Grounds for rescission

Error in the determination as to whether the Designated Services of the Trademark (part of designated goods and designated services other than the Goods and Services) fall under Article 3, paragraph (1), item (iii) of the Trademark Act

No. 4 Decision of this court

1. Facts found in this case

(1) The following facts are found based on the evidence.

A. The term "Scrum" is treated as a "flag word" in the "Dictionary of the Latest Computer & Information Technology Terms" (Exhibits Ko 32 through 34; published on January 10, 2009, April 1, 2010, and April 25, 2011, respectively), "Standard Glossary of Terms Used in Software Testing (Japanese version)" (Exhibit Ko 35; published on March 28, 2014), "IT Yougo Jiten e-Words (IT Glossary Dictionary e-Words)" (Exhibit Ko 36; created on February 7, 2015) and the term is explained as one of the agile software development methods.

In addition, the term "Scrum" is described in the "Dictionary of the Latest Computer & Information Technology Terms" as "it is characterized by the development approach in software development that the following procedures are implemented repetitively: Creation of software → Operation check → Commercialization" and in "IT Yougo Jiten e-Words (IT glossary e-Words)" that "Scrum is one of the software development methods and a method that is composed mainly of the methodology to engage in work as an entire team." It is also described in Wikipedia (Exhibit Ko 31; last update on

October 31, 2017) that "Scrum" is one of the repetitive and progressive agile software development methods.

B. "Scrum Master" is described in the description of the "term" of "Scrum" in "IT Yougo Jiten e-Words (IT glossary e-Words)" (Exhibit Ko 36) as "In the team, ... there is a position called 'Scrum Master,' serving to coordinate inside and outside the team and as a point of contact for outside the team."

In addition, in Wikipedia, according to the last update on October 31, 2017 (Exhibit Ko 31), "Scrum Master" is described as "a role guaranteeing that a scrum framework is applied appropriately," and in "Agile Yogoshu (Agile Glossary)" (Exhibit Ko 38), it is described as "Scrum has a role called 'Scrum Master' that is like a combination of the roles of a coach and a manager."

C. The "Scrum Guides" authored by Jeff Sutherland and Ken Schwaber, who are advocates of "Scrum," (Exhibits Ko 39 through 42; published on October 2011, July 2013, July 2016, and November 2017, respectively) explain the definition, rules, etc. of "Scrum." They define "Scrum" as follows: "Scrum is a framework for developing and maintaining complicated products."; "Scrum consists of a scrum team and its roles, events, deliverables, and rules."; and "A Scrum team consists of a product owner, development team, and scrum master." In addition, "Scrum Master" is described as "The Scrum Master is responsible for the understanding and establishment of a scrum. Therefore, the Scrum Master instructs the scrum team to comply with scrum theory, practices and rules. The Scrum Master is a servant leader of the scrum team, (...)."

D. In "Nikkei Computer," "Nikkei Systems," "Nikkei IT Professional," "Nikkei Software," etc. and other magazines related to computers and IT that were published for the period from 2003 until the date of the examiner's decision for registration of the Trademark (April 17, 2018) (Exhibits Ko 44, 48, 49, 69, 76, 114, 124, 136, 139, 141, 146, 154, 156 through 158, 160, 161, 165, 181, 184, 186, 190, 194 through 198, 205 through 207, 209, 214, and 215), there are descriptions related to "Scrum Master" in articles with the main theme of "agile software development" and "Scrum."

For example, in "Nikkei Computer vol. 585" published on October 20, 2003 (Exhibit Ko 44), there are statements that "Scrum" is a project management method, that it has been adopted as much as several thousand times overseas, and that it has been partially adopted by a system integrator, Kabushiki Kaisha Mamezou, and Zennikku System Kikaku Kabushiki Kaisha in Japan; and there are also statements concerning "Scrum Master" that it "holds the key of the scrum team," "creates a team, organizes various kinds of meetings, makes decisions, and takes all possible measures to eliminate hindrances to operations," "is any of team leader, project leader, or project

manager," and "is required to have high skills in both technology and management."

In addition, "Nikkei IT Professional vol. 34" published on March 1, 2005 (Exhibit Ko 124) contains the following statements: There is a "Scrum Master" that corresponds to a project manager as a project member of a "Scrum"; "The role of the Scrum Master is important in keeping the independence of the scrum team"; The "Scrum Master" "protects the scrum team from 'hindrances' to development and helps them dedicate themselves to development."

E. On websites and blogs, etc. that were created for the period from 2004 until the date of the examiner's decision for registration of the Trademark (Exhibits Ko 53, 58, 242, 243, 252, 254, 256, 258, 259, 261 through 269, and 271), there are statements related to "Scrum Master" in articles with the main theme of "agile software development" and "Scrum."

For example, in the article on the website published on October 5, 2004, "Agile Kaihatsu Shuhou 'Scrum' no Shinjitsu (Truth of the Agile Development Method 'Scrum') (1/3)" (Exhibit Ko 242), there is a statement that "The Scrum Master is, in simple terms, a project manager in the Scrum. The Scrum Master engages in progress control, requirement control, and other regular duties to be implemented by a project manager and also provides technical instructions and advice as a mentor to engineers in the team. Therefore, the Scrum Master is required to have a high level of quality as a software engineer."

F. Books published for the period from 2003 until 2016, "Agile Software Kaihatsu Scrum (Agile Software Development Scrum)" (Exhibit Ko 282; published on September 20, 2003), "Scrum Nyumon - Agile Project Management (Introduction to Scrum - Agile Project Management)" (Exhibit Ko 284; published on September 13, 2004), "Jissen! Agile Project Kanri (Practice! Agile Project Management)" (Exhibit Ko 285; published on November 10, 2009), "Agile Samurai" (Exhibit Ko 294; published on July 25, 2011), "Agile na Game Kaihatsu (Agile Game Development)" (Exhibit Ko 286; published on September 3, 2012), "Scrum wo Katsuyoushita Agile na Product Kanri (Agile Product Management Using Scrum)" (Exhibit Ko 287; published on November 30, 2012), "Scrum Bootcamp, the Book" (Exhibit Ko 289; published on February 12, 2013), "Essential Scrum" (Exhibit Ko 292; published on July 7, 2014), "Scrum - Shigoto ga 4 bai Hayakunaru 'Sekaihyoujun' no Team Senjutsu (Scrum - 'World Standard' Team Tactics that Accelerate Your Work Fourfold)" (Exhibit Ko 293; published on June 25, 2015), and "Scrum Gemba Guide (Scrum Front-Line Guide)" (Exhibit Ko 295; published on February 29, 2016), are mainly about "Agile Software Development" and "Scrum" and they contain statements concerning the "Scrum

Master."

In addition, articles posted on magazines published before the examiner's decision for registration of the Trademark, "Apply Agile Development methodology SCRUM to PBL" (Exhibit Ko 298; published in 2010), "2408 The Characteristics and the Real Value of Agile Development" (Exhibit Ko 299; published in 2011), "Evaluation of Scrum to improve value of systems" (Exhibit Ko 300; published in September 2013), and "Application Example of SCRUM Development Method in the Integration of Intra-company Business Systems" (Exhibit Ko 308; published on June 15, 2017), are mainly about "agile software development" and "Scrum," and they contain statements concerning "Scrum Master."

G. (A) In June 2009, "Scrum Master Workshop" authorized by Scrum Alliance Inc. was held (Exhibit Ko 46).

(B) The Plaintiff, agilergo consulting corp., held "Certified Scrum Master Training" in October 2011, January 2012, January 2013, October 2013 (held twice), June 2014, October 2014, May 2015, October 2015, January 2016, May 2016, September 2016, January 2017, June 2017, October 2017, and January 2018 (held twice) (Exhibits Ko 384-14, 384-16-1 through 384-16-9).

(C) Enterprise Scrum (co-hosted by the Plaintiff, Attractor Inc.) held "Certified Scrum Master Training" twice in January 2014 (Exhibit Ko 384-15).

(D) Hitachi Solutions, Ltd. held a seminar titled "Acquiring Certified Scrum Master (CSM) Certification" in around August 2016 (Exhibit Ko 384-7).

(E) The Plaintiff, KDDI Corporation, the Plaintiff, Scrum, Inc., and the Plaintiff, ESM, Inc., held "Certified Scrum Master Training" in February 2017 and subsequently the aforementioned three companies held said training four times until March 19, 2018 (Exhibits Ko 80 through 82, 88, 89, 384-1, and 384-8).

(F) Digital Business Innovation Center held a training titled "Learning the Roles of a Scrum Master" (Exhibit Ko 384-5).

(G) By April 2018, the number of persons who acquired certification as "Certified Scrum Master" (certification certified by Scrum Alliance Inc.) in Japan was 3,310 and training for "Certified Scrum Master" was held 163 times (Exhibits Ko 384-17 and 385-5).

H. Magazines and websites, etc. published or created for the period from 2004 until the date of the examiner's decision for registration of the Trademark (Exhibits Ko 46, 48, 80 through 83, 88, 89, 165, 207, 242, 244, 259, and 270), contain articles related to the certification system of "Scrum Master," training sessions, and seminars, etc.

For example, "Nikkei Computer vol. 743" published on November 11, 2009 (Exhibit

Ko 48) contains an article stating that "A company providing training and consulting specialized in agile development, Odd-e Japan, strengthens its certification acquisition services for 'Scrum,' which is one of the agile development methods. The company determined to hold certified workshops to train 'Scrum Masters' in Tokyo and Osaka four times or more in 2010. ... 160 persons are expected to be certified. The number of certified Scrum Masters in Japan was approximately 150. Therefore, it will be doubled all at once." In "Nikkei Systems vol. 297" published on January 1, 2018 (Exhibit Ko 207), there is a statement that "As of October 2017, 310 persons have certification as 'Certified Scrum Master (CSM)'."

(2) According to the facts found in this case in (1) above, the following matters are found: [i] the term "Scrum" is explained to be one of the agile software development methods in dictionaries and glossaries for computers and IT that were published or created before the examiner's decision for registration of the Trademark ((1) A. above); [ii] the term "Scrum Master" is described as a name of a role in the "Scrum," which is one of the agile software development methods, in online dictionaries, etc. created before the examiner's decision for registration of the Trademark ((1) B. above); [iii] the "Scrum Guides" authored by the advocates of the "Scrum" explain the definition of "Scrum Master" ((1) C. above); [iv] in multiple books, magazines, websites, and blogs related to computers and IT published before the examiner's decision for registration of the Trademark, there are statements concerning the "Scrum Master" in articles, etc. with the themes of "agile software development" and "Scrum" ((1) D. through F. above); [v] multiple groups held training sessions for Scrum Masters multiple times for the period from 2009 through April 2018 ((1) G. above); and [iv] in magazines and websites, etc. published or created before the examiner's decision for registration of the Trademark, there are statements concerning the certification system for "Scrum Masters," training sessions, and seminars ((1) H. above).

Taking [i] through [vi] above into account comprehensively, it is found that, at the time of the examiner's decision for registration of the Trademark, the term "Scrum" was recognized to indicate one of the agile software development methods in the field related to computers and IT and the term "Scrum Master" was recognized as indicating one of the roles in a "Scrum," which is one of the agile software development methods.

2. Whether the Trademark falls under Article 3, paragraph (1), item (iii) of the Trademark Act

(1) Article 3, paragraph (1), item (iii) of the Trademark Act stipulates that, concerning "the trademark consists solely of a mark indicating, in a common manner, in the case of services, the location of provision, quality, articles to be used in the provision,

efficacy, intended purpose, modes, method or features including time, quantity or price of provision," it lacks the requirements for registration as a trademark. This is construed to be because such trademark is a mark to express and indicate, in the case of services, the location of the provision, quality, articles to be used in the provision, efficacy, intended purpose, and other features in relation to the designated services; any person would want to use the mark as a necessary and appropriate indication for transactions; and therefore, it is inappropriate for the public interest to approve exclusive use of the mark by a specific person; additionally, the mark is generally used and, in many cases, it lacks the ability to serve as a source identifier of services.

Then, in order to say that a certain trademark is a trademark consisting solely of a mark indicating the quality of the designated services in a common manner, it is understood to be enough for the trademark to be a necessary and appropriate indication for transactions as one indicating the quality of services in relation to the designated services, and when being used for the designated services, to be generally recognized by traders and consumers as an indication of service quality also into the future. It is construed that the trademark is not required to be actually used for the designated services.

Based on the above, whether the Trademark falls under Article 3, paragraph (1), item (viii) of the Trademark Act in a relationship with the Designated Services is examined below.

(2) The Trademark consists of "Scrum Master" expressed in standard characters and is a combined trademark that is constituted by the term "Scrum" and the term "Master." The Trademark generates the pronunciation, "scrum master."

As found in 1. (2) above, it is found that, at the time of the examiner's decision for registration of the Trademark, the term "Scrum" was recognized to indicate one of the agile software development methods in the field related to computers and IT and the term "Scrum Master" was recognized as indicating one of the roles in the "Scrum," which is one of the agile software development methods.

In addition, the term "master" generally means "owner, head, ruler," "to acquire, to become expert in," etc. (Kojien Dictionary, the 7th edition; Exhibit Ko 391-2-2). Therefore, it is found that the term "Scrum Master" generates a concept of a person who acquired "Scrum," which is one of the agile software development methods, and a person who becomes an expert in "Scrum."

Then, if the Trademark is used for "education and training, workshops, and seminars, etc." that are included in the Designated Services, it can be said that traders and consumers understand that the education and training, etc. are for the acquisition of

"Scrum," which is one of the agile software development methods, or are education and training, etc. related to a specific role in "Scrum." Therefore, it is reasonable to find that the Trademark is generally recognized to indicate the quality (details) of said services.

The Trademark is found to be comprised of standard characters and consist solely of a mark indicating the characters of "Scrum Master" in a common manner. Therefore, the Trademark is found to fall under a trademark consisting solely of a mark indicating the quality (details) of the Designated Services in a common manner (Article 3, paragraph (1), item (iii) of the Trademark Act).

(3) In this regard, the JPO Decision first stated that the evidence related to training and seminars, etc. specialized in "Scrum Master" is limited; there is no explanation on their specific details and no concrete evidence on the size and the frequency of the training and seminars, etc.; it cannot be said that the number of certified persons under the "Scrum Master" certification system is large; therefore, it is difficult to say that the Trademark makes people understand that it means the services of "Scrum Master" in a relationship with the services of Class 41, education and training, workshops, and seminars, etc. from among the designated goods and designated services of the Trademark. Then, the JPO decision determined as follows: it cannot go so far as to say that the characters of "Scrum Master" in the Trademark are commonly used as those directly indicating the quality of goods and the quality of services, etc.; there are no special circumstances to find that traders and consumers who come across the Trademark would recognize the Trademark as the quality of goods and the quality of services, etc.; and therefore, the Trademark does not fall under Article 3, paragraph (1), item (iii) of the Trademark Act in relation to designated goods and designated services other than the Goods and Services, including the Designated Services.

However, as explained in (1) above, in order to say that the Trademark is a trademark consisting solely of a mark indicating the quality of the designated services in a common manner, it is understood to be enough for the Trademark to be a necessary and appropriate indication for transactions as one indicating the quality of services in relation to the Designated Services, and when being used for the Designated Services, to be generally recognized by traders and consumers of the Trademark as an indication of service quality also into the future. It is construed that the Trademark is not required to be actually used for the Designated Services. Therefore, there is an error in the premise of the aforementioned JPO Decision.

3. Allegation of the Defendant

The Defendant alleged as follows: [i] According to the purport of Article 3,

paragraph (1), item (iii) of the Trademark Act, a trademark that may not be registered under this item is limited to "a trademark that will be commonly used in the future without fail"; however, there is no evidence that the Trademark will be "commonly used in the future without fail." The use of the Trademark was limited at the time of the examiner's decision for registration, and the Trademark had no public recognition at all and was not commonly recognized, but was rather obscure; [ii] It is not found that participation in seminars and training related to Scrum Master and acquisition of qualifications and certifications were implemented in many cases before the examiner's decision for registration of the Trademark. "Scrum Master" was not recognized commonly as a qualification, and the number of seminars held and the number of certified persons were small; [iii] The Trademark is a coined word created only by combining the term "Scrum" and the term "Master" and the Trademark does not generate any specific concept; [iv] For the period of 12 years and 8 months from October 2004, which is the earliest time when the use of the term "Scrum Master" was found based on the evidence, until June 2017, when the Defendant filed an application for registration of the Trademark, the Plaintiffs did not file an application for registration of the Trademark. This fact is the evidence proving that no one wanted to use it, and the Trademark does not fall under a trademark that "anyone would want to use." Therefore, the Trademark does not fall under Article 3, paragraph (1), item (iii) of the Trademark Act in relation to the Designated Services.

However, concerning [i] through [iii], as explained in 2. (1) and (2) above, in order to say that the Trademark falls under said item in relation to the Designated Services, it is enough for the Trademark to be a necessary and appropriate indication for transactions as one indicating the quality of services in a relationship with the Designated Services, and when being used for the Designated Services, to be generally recognized by traders and consumers of the Trademark as an indication of service quality also into the future. It is not limited to "a trademark that will be commonly used in the future without fail" as alleged by the Defendant, but it is construed that the Trademark is not always required to be actually used for the Designated Services. Therefore, the degree of use and whether the Trademark is publicly recognized or not do not matter.

In addition, as explained in 1. (2) above, it is found that, at the time of the examiner's decision for registration of the Trademark, the term "Scrum Master" was recognized as an indication of one of the roles in a "Scrum," which is one of the agile software development methods, in the field of computers and IT. It is also found that the term "Scrum Master" generates the concept of a person who has acquired "Scrum," which is

one of the agile software development methods, and a person who has become an expert in "Scrum" (2. (2) above). Therefore, it cannot be said that the Trademark was not commonly recognized or was in obscurity among consumers of the Designated Services and that special concepts are not generated at all from the Trademark.

Concerning [iv], requiring the use of a term and filing an application for trademark registration for the term are different matters. It cannot be said that the Trademark does not fall under a trademark that "anyone would want to use" based on the fact that the Plaintiffs did not file an application for registration of the Trademark.

Therefore, the aforementioned allegation of the Defendant is groundless.

The Defendant made other claims; however, none of them have an impact on the determination in 2. above.

No. 5 Conclusion

As mentioned above, since there were errors in the JPO Decision determining that the Trademark does not fall under Article 3, paragraph (1), item (iii) of the Trademark Act in relation to the Designated Services, there are grounds for the rescission alleged by the Plaintiffs.

Consequently, the JPO Decision should be rescinded, and the judgment is rendered as indicated in the main text.

Intellectual Property High Court, First Division

Presiding judge: OTAKA Ichiro

Judge: OGAWA Takatoshi

Judge KOBAYASHI Yasuhiko cannot affix his signature and seal due to personnel transfer.

Presiding judge: OTAKA Ichiro

(Attachment 1) Designated goods and designated services of the Trademark

Class 16

Paper and cardboard; stationery; teaching materials; books; periodicals; printed matters; paintings and calligraphic works; photographs; and photograph stands

Class 35

Advertising and publicity services; public relations; publicity material rental; promoting the goods and services of others through the administration of sales and promotional incentive schemes involving trading stamps; business management analysis or business consultancy; providing business management consultancy and information; providing business improvement consultancy and information; business project management using best practices; providing information on operational efficiency improvement and consultancy using benchmarking (comparative analysis); business management analysis including risk assessment analysis; providing information and consultancy concerning business management and business; business management for optimal allocation of business management sources; business management consultancy for optimal allocation of business management resources; marketing research and its appraisals; consultancy on marketing research and corporate marketing business; business management appraisals and analysis of business management efficiency; business project appraisals; commercial or industrial management assistance; marketing research or analysis; providing information concerning commercial sales; marketing; providing marketing information; business management and organization consultancy; business appraisals; business management analysis; business research; providing statistical information; personnel management; creation of business reports; office functions, namely filing, in particular documents or magnetic tapes; compilation of information into computer databases; data input and data creation services; systemization of information into computer databases; file management using computer databases; data search in computer files for others; storing information on computer databases; employment agency services; personnel recruitment; personnel referral; providing employment information; operating online auctions; and auctioneering

Class 41

Educational and instruction services relating to arts, crafts, sports or general knowledge; educational and instruction services related to information management systems; educational and instruction services related to the use of information technology; educational and instruction services related to the above using computers and telecommunications; educational and instruction services related to the

organizational business management and on the activities for business transformation management, business improvement, and support; educational and instruction services related to the development of abilities for management, communication, sales, leadership, and human resource development; providing consulting, consultancy, and information on education and training related to the development of abilities for management, communication, sales, leadership, and human resource development; educational and instruction services related to the management and creation of programs, projects, and portfolios; coaching (educational and instruction services); organization of certification and granting qualifications and providing information related thereto; organization or implementation of qualifying tests and certification tests and providing information related thereto; creation of examination questions; providing educational information; arranging, conducting and organization of seminars; providing consultancy and information related to arranging, operating, and organization of seminars, symposiums, conferences, lecture meetings, workshops, colloquiums, and lecture classes on business, business strategy, science, and technology; providing consultancy and information related to arranging, operating, and organization of other seminars, symposiums, conferences, lecture meetings, workshops, colloquiums, and lecture classes; providing electronic publications; services of reference libraries for literature and documentary records; services of reference libraries using communication terminals through internet or computer networks; book rental; publication of books; publication of books related to provision of education and knowledge, educational and instruction services, and business management (excluding publicity texts); publication of other books, magazines, periodicals, leaflets, catalogs, and other publications (excluding publicity texts); production of videotape film in the field of education, culture, or entertainment (not for movies or television programs and not for advertising or publicity); rental of paintings and calligraphic works; rental of image-recorded magnetic tapes; rental of records or sound recorded magnetic tapes; rental of reversal films; rental of film negatives; toy rental; providing facilities for movies, shows, plays, music or educational training; providing sound, music, still images, and videos through communication networks (excluding those that can be downloaded); providing still images, dynamic images, still images with sound, dynamic images with sound, videos, electronic publications, educational information through telecommunications lines; language interpretation; and translation

(Attachment 2) Designated Services

Class 41

Educational and instruction services relating to arts, crafts, sports or general knowledge; educational and instruction services related to information management systems; educational and instruction services related to the use of information technology; educational and instruction services related to the above using computers and telecommunications; educational and instruction services related to the organizational business management and on the activities for business transformation management, business improvement, and support; educational and instruction services related to the development of abilities for management, communication, sales, leadership, and human resource development; providing consulting, consultancy, and information on education and training related to the development of abilities for management, communication, sales, leadership, and human resource development; educational and instruction services related to the management and creation of programs, projects, and portfolios; coaching (educational and instruction services); organization of certification and granting qualifications and providing information related thereto; organization or implementation of qualifying tests and certification tests and providing information related thereto; creation of examination questions; providing educational information; arranging, conducting and organization of seminars; providing consultancy and information related to arranging, operating, and organization of seminars, symposiums, conferences, lecture meetings, workshops, colloquiums, and lecture classes on business, business strategy, science, and technology; providing consultancy and information related to arranging, operating, and organization of other seminars, symposiums, conferences, lecture meetings, workshops, colloquiums, and lecture classes; services of reference libraries for literature and documentary records; and services of reference libraries using communication terminals through internet or computer networks