

Date	December 25, 2017	Court	Intellectual Property High Court, First Division
Case number	2017 (Gyo-Ke) 10080		
– A case in which, while the JPO decided to deny the applicability of Article 4, paragraph (1), items (xv), (vii), and (xix) of the Trademark Act to the registered trademark of the defendant and dismissed the plaintiff's request for an invalidation trial, the court rescinded the JPO decision by holding that there is an error in the JPO's determination concerning the applicability of item (xv) of said paragraph.			

References: Article 4, paragraph (1), item (xv) of the Trademark Act

Numbers of related rights, etc.: Invalidation Trial No. 2015-890100, Trademark Registration No. 5664585

Summary of the Judgment

[Disputed trademark]



Designated goods : Class 1 "Detergent additives to gasoline, fuel-saving preparations, chemical additives to motor fuel, preparations for preventing the tarnishing of glass, antifreeze, sludge-removing preparations for radiators, antistatic preparations (excluding preparations for household purposes), priming putty, chemical preparations for decarbonising engines, chemical additives for oils, glass-frosting chemicals, and anti-puncture preparations," Class 3 "Anti-static preparations for household purposes, rust removing preparations, paint stripping preparations, canned pressurized air for cleaning and dusting purposes, perfume and flavor materials, incenses and fragrances, deodorant for automobiles, windscreen cleaning liquids, automobile cleaning preparations, automobile polishes, and deodorant spray," Class 4 "Dust absorbing compositions, dust removing preparations, lubricants, dust binding compositions for sweeping, leather preserving oil and grease, additives to motor fuel (non-chemical), lubricating oil for motor vehicle engines, gas for ignition or lighting (lamps), motor fuel, and additives for industrial oils and fuels (non-chemical)," and Class 5 "Deodorants (other than for human beings or for animals), insect repellents, insect

repellent incense, air purifying preparations, deodorant spray, insecticides, antimicrobials for dermatologic use, fumigating sticks, fumigating pastilles, and first-aid boxes, filled"

[Cited trademark]



1. The defendant is the holder of the disputed trademark (the "Trademark"). While the plaintiff filed a request for an invalidation trial (Invalidation Trial No. 2015-890100), the JPO made a decision to dismiss the request by holding that the trademark does not fall under Article 4, paragraph (1), items (xv), (vii), or (xix) of the Trademark Act. This is a case where the plaintiff sought rescission of the JPO decision.

2. In the JPO decision, the JPO found as follows: the cited trademark cannot be considered to have been widely recognized among traders and consumers in Japan as of the time of the filing of an application for registration of the Trademark and as of the time of the examiner's decision of registration; the level of creativeness of the cited trademark is not high; the degree of similarity between the Trademark and the cited trademark is low; the goods, etc. bearing (using) the cited trademark and the designated goods, etc. of the Trademark are not related to each other and the Trademark and the cited trademark do not overlap each other in terms of traders and consumers; and there are no transactional practices that could cause confusion about the source of goods, etc. between the Trademark and the cited trademark. On these grounds, the JPO found that the use of the Trademark for its designated goods would not cause confusion about the source of the goods.

On the other hand, in this judgment, the court found as follows in summary and rescinded the JPO decision by holding that there is an error in the JPO decision that determined that the Trademark does not fall under Article 4, paragraph (1), items (xv) of the Trademark Act.

3. As far as the overall compositions of the Trademark and the cited trademark are concerned, the two trademarks are identical in terms of basic structure such as the

placement of a dynamic figure of a red bull looking to the left with the horns directing forward against the background of an unpatterned figure painted in a yellowish warm color. In consideration of the facts that, since the main consumers of the goods bearing the Trademark such as auto-related goods include general consumers who do not have accurate or detailed knowledge about trademarks and brands, those main consumers cannot be considered to pay a particularly high level of attention at the time of the purchase of goods and that, while the cited trademark cannot be considered to be highly creative, it is widely known in Japan, and the use of the Trademark for its designated goods could cause consumers (general consumers) to focus solely on the similarity between the Trademark and the cited trademark in terms of the basic structure of the figures contained therein and to fail to notice the difference between the two trademarks in terms of the shapes of the details.

The cited trademark is famous among traders and consumers in the auto-related field as an indication of the goods, etc. of Company Red Bull. Many companies have been licensed to use the trademarks in use (the "Trademarks in Use"), in which the cited trademark is used as a structural component, and to sell various goods such as auto-related goods bearing the Trademarks in Use including the cited trademark. Since the designated goods of the Trademark include auto-related goods, whose traders and consumers recognize the famousness of the cited trademark, it should be found that any traders and consumers who come across the Trademark affixed to the designated goods could associate the Trademark with the cited trademark, which is a famous trademark, and could misunderstand that those designated goods pertain to the business of Company Red Bull or any company that has a close business relationship with Company Red Bull or pertain to the business of a company that belongs to a group conducting a joint product development project by using the same indication of goods, etc. as the one used by Company Red Bull.

Therefore, the Trademark should be considered to fall under Article 4, paragraph (1), item (xv) of the Trademark Act and should not be registered as a trademark. Thus, it has to be said that there is an error in the JPO decision that determined otherwise, more specifically, the JPO decision that determined that the Trademark does not fall under said item.

Judgment rendered on December 25, 2017

2017 (Gyo-Ke) 10080 Case of Seeking Rescission of JPO Decision

Date of conclusion of oral argument: October 25, 2017

Judgment

Plaintiff: Red Bull Aktien Gesellschaft

Defendant: Bullsone Co., Ltd.

Main text

1. The JPO decision made on December 13, 2016 concerning Invalidation Trial No. 2015-890100 shall be rescinded.
2. The defendant shall bear the court costs.
3. The additional period for filing a final appeal and a petition for acceptance of final appeal against this judgment shall be 30 days.

Facts and reasons

No. 1 Claims

The same as stated in the main text.

No. 2 Outline of the case

This is a case wherein a lawsuit was filed to seek rescission of a JPO decision that dismissed a request for a trial to seek invalidation of a trademark registration. The main issues are [i] the applicability of Article 4, paragraph (1), item (xv) of the Trademark Act, [ii] the applicability of item (xix) of said paragraph, and [iii] the applicability of item (vii) of said paragraph.

1. Disputed trademark and developments in procedures at the JPO, etc.

(1) The defendant holds a trademark right for the following trademark (the "Trademark") (Exhibits Ko 1-1 and 1-2).

Registration No. 5664585

Structure of the trademark: As shown below

Filing date: October 4, 2013

Registration date: April 18, 2014

Designated goods: Class 1 "Detergent additives to gasoline, fuel-saving preparations, chemical additives to motor fuel, preparations for preventing the tarnishing of glass, antifreeze, sludge-removing preparations for radiators, antistatic preparations (excluding preparations for household purposes), priming putty, chemical preparations for decarbonising engines, chemical additives for oils, glass-frosting chemicals, and

anti-puncture preparations," Class 3 "Anti-static preparations for household purposes, rust removing preparations, paint stripping preparations, canned pressurized air for cleaning and dusting purposes, perfume and flavor materials, incenses and fragrances, deodorant for automobiles, windscreen cleaning liquids, automobile cleaning preparations, automobile polishes, and deodorant spray," Class 4 "Dust absorbing compositions, dust removing preparations, lubricants, dust binding compositions for sweeping, leather preserving oil and grease, additives to motor fuel (non-chemical), lubricating oil for motor vehicle engines, gas for ignition or lighting (lamps), motor fuel, and additives for industrial oils and fuels (non-chemical)," and Class 5 "Deodorants (other than for human beings or for animals), insect repellents, insect repellent incense, air purifying preparations, deodorant spray, insecticides, antimicrobials for dermatologic use, fumigating sticks, fumigating pastilles, and first-aid boxes, filled"

[Trademark]



(2) On December 24, 2015, the plaintiff filed a request for a trial to seek invalidation of the registration of the Trademark (Invalidation Trial No. 2015-890100) by alleging that the registration of the Trademark falls under Article 4, paragraph (1), items (xv), (xix), and (vii) of the Trademark Act and shall therefore be invalidated under Article 46, paragraph (1), item (i) of said Act.

On December 13, 2016, the JPO made a decision that "the request for a trial is unacceptable." The certified copy of the decision was served on the plaintiff on December 22, 2016.

2. Summary of the grounds for the JPO decision

(1) Cited trademark

A. Structure of the trademark



B. Red Bull trademarks and the cited trademark

The plaintiff is a company managing Company Red Bull's trademarks in Japan (the headquarters "Red Bull GmbH," a Japanese subsidiary, "Red Bull Japan Kabushiki Kaisha," and other affiliated companies shall be collectively referred to as "Company Red Bull").

While the plaintiff has many registrations of the trademarks of Company Red Bull (Exhibits Ko 3, 4, etc.), the plaintiff alleged that the plaintiff uses word marks such as "Red Bull (RED BULL)" and "レッドブル" (the "Red Bull word marks") and figure trademarks consisting of a figure of a dashing bull (the "single-bull figure"; There are two types of single-bull figure, i.e., a figure of a bull looking to the left and a figure of a bull looking to the right. In particular, a single-bull figure consisting of a figure of a bull looking to the left, which is placed against the background of a yellow, roundish figure as shown above is called the "cited trademark"; The figure trademark consisting of two single-bull figures looking to the left and to the right respectively is called "double-bull figure"; The single-bull figures and the double-bull figure shall be collectively referred to as the "bull figures"; The Red Bull word marks and the bull figures shall be collectively referred to as the "Red Bull trademarks") and that the bull figures, which consist of a figure of a red bull or figures of red bulls, are widely used against the yellow background. However, the trademarks containing a figure of a red bull without the (background) figure of a yellow circle (Exhibits Ko 10, 13, 51, etc., which are mostly affixed to the doors of automobiles), the trademarks showing a bull looking to the right (Exhibits Ko 39, 40, etc.), and the double-bull figure (Exhibits Ko 7, 50, etc., which are mostly affixed to the side of soft drink cans, helmets, and apparel) are different from the cited trademark. Thus, these trademarks were excluded from the examination of whether the cited trademark is well known or not.

(2) Applicability of Article 4, paragraph (1), item (xv) of the Trademark Act

A. The degree of the well-knownness and the level of creativeness of the cited

trademark

(A) The cited trademark or any trademark similar thereto is affixed to the bodies of automobiles in an auto race, etc. or to the apparel and equipment of the racers participating in an auto race, etc. It is reasonable to interpret that the manner of use of such trademark shows that the trademark is affixed to the bodies of automobiles or to the apparel or equipment of the racers as a logo to indicate that the plaintiff is sponsoring the race, etc. It should be said that any spectators of an auto race, etc. or readers of magazines who come across the trademark would not recognize that the trademark is used as a mark to distinguish the service of "planning and managing an auto race" or any other goods or services, in other words, as an identifier to distinguish one's goods or services from those of others.

(B) Partially due to the infrequent use of the cited trademark, which was affixed to aerobatic aircrafts and other goods, how the cited trademark was used in transactions is not clear. For example, it is not clear how long the cited trademark was affixed to goods or services, in what area and in what scale the cited trademark was used, how frequently the cited trademark was used in advertisements, and what the amount of sales generated by those goods or services is. Thus, it is impossible to specifically evaluate the degree of well-knownness of the cited trademark.

(C) Degree of well-knownness of the cited trademark

As mentioned above, according to the submitted evidence, even if it can be found that the cited trademark and any other trademark similar thereto was often used as a logo to indicate who was sponsoring an auto race, etc., it cannot be found that, as a result of the use of the cited trademark, the cited trademark has become widely known among traders and consumers in Japan as an indication of certain goods or services as of the time of the filing of an application for registration of the Trademark and as of the time of the examiner's decision of registration. Also, it is impossible to find that the cited trademark is widely known in foreign countries.

Regarding the cited trademark, it would be natural to consider that the cited trademark is mainly used together with a trademark showing a bull looking to the right. It cannot be said that the plaintiff only uses the cited trademark.

(D) Level of creativeness of the cited trademark

Since there are a considerable number of registered trademarks containing a silhouette of a bull looking to the left, a figure of a bull contained in the cited trademark cannot be considered to be particularly creative. Placing a circle figure, etc., in the background is also a common technique. Therefore, a trademark consisting of a combination of a figure of a bull and a circle figure cannot be considered to be creative.

B. Degree of similarity between the Trademark and the cited trademark

(A) Trademark

As described in 1 (1) above, the Trademark contains a figure of a red bull looking to the left outlined with black lines. The figure is placed in the central part of a shield-shaped pale brown background figure colored in different shades. The bull has a curved back and white horns and holds its head, more specifically, its facial and jaw area leaning forward, with its forelegs slightly curling inward and its hind legs kicking backward with its S-shaped tail flowing behind. The bull as a whole takes the posture of jumping toward upper left.

It should be said that the Trademark is not associated with any particular pronunciation or concept.

(B) Cited trademark

As described in 1 (A) above, the cited trademark contains a silhouette of a red bull looking to the left with its head part placed in the lower right area of the background yellow circle figure and its body placed outside said circle figure. The bull bends over in the shape of the Japanese hiragana character "<" and keeps its head low, tucks in its chin, and directs its horns forward. The bull has its forelegs touching the edge of the circle figure and curling inward as if the bull is folding them up in front of its chest and has its hind legs kicking backward underneath the circle figure with its S-shaped tail flowing behind. As a whole, the bull has the posture of holding its upper body slightly lifted, dashing forward.

Since there are no special circumstances under which the cited trademark could be associated with any particular pronunciation and concept, it should be found that the cited trademark is not associated with any particular pronunciation or concept.

(C) Determination of the degree of similarity between the Trademark and the cited trademark

The Trademark and the cited trademark are identical in terms of the features that both trademarks contain a red bull looking to the left against a background figure, having its forelegs curling inward and its hind legs kicking backward with its S-shaped tail flowing behind.

However, the two trademarks are different in terms of the background figure. The Trademark contains a shield-shaped pale brown figure colored in different shades, while the cited trademark contains a yellow, circle figure. In the Trademark, the bull is placed in a balanced manner in the central part of the background shield-shaped figure. On the other hand, in the cited trademark, the head of the bull is placed inside the circle figure, while its body is placed outside the circle figure. In sum, the position of the bull is not

balanced with the position of the background circle figure. An examination of the overall posture of the bull reveals that the bull contained in the Trademark has the posture of jumping toward upper left, while the bull contained in the cited trademark has the posture of dashing forward with its upper body slightly lifted.

Thus, the two trademarks give different impressions in terms of appearance and cannot be considered to be similar in terms of appearance due to the difference in the positional relationship between the position of the background figure and the bull, the difference between an outlined picture of a bull and a silhouette of a bull, the difference between a bull jumping to the upper left and a bull dashing forward to the left.

Therefore, the Trademark and the cited trademark cannot be considered to be similar in terms of appearance, pronunciation, and the concept. The degree of similarity between the two trademarks can be considered to be low.

C. The degree of relatedness between the designated goods, etc. of the Trademark and the goods, etc. bearing the cited trademark in terms of property, usage, or purpose, the degree of overlap between the Trademark and the cited trademark in terms of traders and consumers, and any other transactional practices

The cited trademark affixed to the bodies of automobiles in an auto race, etc., the apparel and equipment of the racers participating in an auto race, etc. cannot be considered to be used as a mark to distinguish one's goods or services from those of others. The automobiles and the auto racing equipment used in an auto race, etc. cannot be considered to be related to the designated goods of the Trademark. Moreover, the automobiles and the auto racing equipment used in an auto race, etc. do not overlap with the designated goods of the Trademark in terms of traders and consumers.

Furthermore, it cannot be said that there are transactional practices that can prove that the cited trademark has become well known.

In the invalidation trial, the demandant, i.e., the plaintiff, presented the cited trademark as the grounds for invalidation. Even if it is possible to prove the well-knownness of Red Bull trademarks and the double-bull figure based on the brand rankings of the Red Bull trademarks excluding the cited trademark, advertisement costs, the market share of the energy drink bearing the double-bull figure, and the number of units sold, the well-knownness of Red Bull trademarks and the double-bull figure do not prove the well-knownness of the cited trademark. Since the Red Bull trademarks excluding the cited trademark are completely dissimilar to the Trademark, it should be said that the use of the Trademark for the designated goods would not cause confusion with the goods bearing any of the Red Bull trademarks excluding the cited trademark.

D. Risk of confusion about the source

As described above, the cited trademark cannot be considered to have been widely known among traders and consumers in Japan as of the time of the filing of an application for registration of the Trademark and the time of the examiner's decision of registration. The level of creativeness of the cited trademark cannot be considered to be high. The degree of similarity between the Trademark and the cited trademark is low.

Furthermore, the goods, etc. bearing (using) the cited trademark cannot be considered to be related to the designated goods of the Trademark. The cited trademark does not overlap with the Trademark in terms of traders and consumers. There are no transactional practices that could cause confusion about the source between the goods, etc. bearing the Trademark and the goods, etc. bearing the cited trademark. It can be said that the use of the Trademark for the designated goods would not cause confusion about the source of goods.

E. Therefore, the Trademark does not fall under Article 4, paragraph (1), item (xv) of the Trademark Act.

(3) Applicability of Article 4, paragraph (1), item (xix) of the Trademark Act

The cited trademark cannot be considered to be widely recognized among traders and consumers in Japan. There is no evidence that the cited trademark is well known in foreign countries. Furthermore, the Trademark is dissimilar to the cited trademark. Moreover, there is no specific evidence to prove that the defendant uses the Trademark for any wrongful purpose such as the purpose of acquiring a wrongful gain by taking advantage of the business reputation embodied in the cited trademark or the purpose of causing damage to the plaintiff.

Therefore, the Trademark does not fall under Article 4, paragraph (1), item (xix) of the Trademark Act.

(4) Applicability of Article 4, paragraph (1), item (vii) of the Trademark Act

The cited trademark cannot be considered to be widely recognized among traders and consumers in Japan. The defendant cannot be considered to have used the Trademark for wrongful purposes such as the purpose of making an unfair profit by free-riding the reputation, fame, and customer appeal of the cited trademark. The Trademark cannot be considered to have a structure that is immoral, obscene, discriminatory, provocative, or unpleasant. The use of the Trademark for the designated goods cannot be considered to be against the public interests or violate the general social morals. The use, etc. of the Trademark is not prohibited by any other law. The Trademark does not insult any specific country or its people and does not contravene international good faith. Also, it cannot be said that there are special circumstances that make the registration of the Trademark detrimental to the order to be established under

the Trademark Act and completely unacceptable due to the existence of a socially unacceptable element in the process of filing an application for registration of the Trademark.

Thus, the Trademark does not fall under Article 4, paragraph (1), item (vii).

(omitted)

No. 5 Court decision

1. Grounds for Rescission 1 (Error in the determination about the applicability of Article 4, paragraph (1), item (xv) of the Trademark Act)

The plaintiff alleged that there was an error in the JPO decision to the effect that the Trademark does not fall under Article 4, paragraph (1), item (xv) of the Trademark Act. This allegation of the plaintiff is examined below.

(1) The trademark "that is likely to cause confusion in connection with the goods or services pertaining to a business of another person" specified in Article 4, paragraph (1), item (xv) of the Trademark Act should be interpreted to include any trademark that could cause confusion "in a broad sense," more specifically, any trademark that could mislead the viewers into believing, if the trademark is used for the designated goods, etc., that the goods, etc. pertain to the business of a company that has a close business relationship such as a so-called parent-subsidary relationship or an affiliation relationship with such another person, or pertain to the business of a company that belongs to a group conducting a joint product development project by using the same indication of goods as the one used by such another person. A determination as to whether the trademark is "likely to cause confusion" should be made based on a comprehensive evaluation of the degree of similarity between the disputed trademark and another person's indication, the level of well-knownness and creativeness of another person's indication, the degree of relatedness between the designated goods, etc. of the disputed trademark and the goods, etc. that pertain to the business of such another person, the extent of the overlap between those goods in terms of traders and consumers, and other transactional practices, and in light of the amount of attention ordinarily paid by the traders and consumers of the designated goods, etc. of the disputed trademark (see 1998 (Gyo-Hi) 85, Judgment of the Third Petty Bench of the Supreme Court of July 11, 2000, Minshu Vol. 54, No. 6, at 1848).

(2) Comparison between the Trademark and cited trademark

In the JPO decision, the JPO recognized the structure of the Trademark as described in No. 2, 2 (2) B above and compared the Trademark with the cited trademark and

found as follows: The two trademarks are identical in terms of the feature characterized by a red bull looking to the left against a background figure, having its forelegs curling inward and its hind legs kicking backward with its S-shaped tail flowing behind. However, the two trademarks are different in terms of the background figure. The Trademark contains a shield-shaped pale brown figure colored in different shades, while the cited trademark contains a yellow, circle figure. In the Trademark, the bull is placed in a balanced manner in the central part of the background shield-shaped figure. On the other hand, in the cited trademark, the head of the bull is placed inside the circle figure, while its body is placed outside the circle figure. In sum, the position of the bull is not balanced with the position of the background circle figure. An examination of the overall posture of the bull reveals that the bull contained in the Trademark has the posture of jumping toward upper left, while the bull contained in the cited trademark has the posture of dashing forward with its upper body slightly lifted. Thus, the two trademarks give different impressions in terms of appearance and cannot be considered to be similar in terms of appearance due to the difference in the positional relationship between the position of the background figure and the position of the bull, the difference between an outlined picture of a bull and a silhouette of a bull, and the difference between a bull jumping to the upper left and a bull dashing forward to the left. The Trademark and the cited trademark cannot be considered to be similar in terms of pronunciation and concept, either. The degree of similarity between the two trademarks is considered to be low. On the other hand, the plaintiff alleged that the Trademark is identical with the cited trademark in terms of the distinctive posture, etc. of the bull, and that the aforementioned differences between the two trademarks found in the JPO decision are negligible, and that, in consideration of the transactional practices, etc., the degree of similarity between the two trademarks is high.

A. Structures of the Trademark and the cited trademark

(A) Structure of the Trademark

The design of the Trademark is as described in No. 2, 1 (1) above, having a structure characterized by a figure of a red bull looking to the left outlined with black lines. The figure is placed in the central part of a shield-shaped pale brown background figure colored in different shades. The bull has a curved back and two horns and holds its head, more specifically, its facial and jaw areas facing forward, with its forelegs slightly curling inward and its hind legs kicking backward with its S-shaped tail flowing behind. The bull as a whole takes the posture of jumping toward upper left. The basic structure of the Trademark is basically the same as the one recognized in the JPO decision. Due to the specific configuration of the bull presented therein, the Trademark can be found

to be associated with the concept of "a jumping red bull." However, the Trademark cannot be considered to be associated with any particular pronunciation.

(B) Structure of the cited trademark

The design of the cited trademark is as described in No. 2, 2 (1) A above, having a structure characterized by a silhouette of a red bull looking to the left with its head part placed in the lower right area of the background yellow circle figure and its body placed outside said circle figure. The bull bends over in the shape of the Japanese hiragana character "<" and keeps its head low, tucks in its chin, and directs its two horns forward. The bull has its forelegs touching the edge of the circle figure and curling inward as if the bull is folding them up in front of its chest and has its hind legs kicking backward underneath the circle figure with its S-shaped tail flowing behind. As a whole, the bull has the posture of holding its upper body slightly lifted, dashing forward. The basic structure of the cited trademark is basically the same as the one recognized in the JPO decision. Due to the specific configuration of the bull presented therein, the cited trademark can be found to be associated with the concept of "a dashing red bull." However, the cited trademark cannot be considered to be associated with any particular pronunciation.

B. Commonalities and differences between the Trademark and the cited trademark

The Trademark and the cited trademark are identical in terms of basic structure, more specifically, identical in that both trademarks contain a figure of a red bull looking to the left, having two horns directing forward, forelegs curling inward and hind legs kicking backward with its S-shaped tail flowing behind against the background of an unpatterned figure painted in a yellowish warm color. However, a direct comparison between the Trademark and the cited trademark reveals that the two trademarks are different in that, as a background figure, the Trademark contains a shield-shaped pale brown figure colored in different shades, while the cited trademark contains a yellow, circle figure, that, in the case of the Trademark, the bull is almost entirely in the central part of the background shield-shaped figure, whereas, in the case of the cited trademark, the head of the bull is placed inside the circle figure, while its body is placed outside the circle figure, and that, as far as the overall posture of the bull is concerned, the Trademark contains an outlined picture of a bull jumping toward upper left, while the cited trademark contains a silhouette of a bull dashing forward with its upper body slightly lifted.

However, despite the existence of the aforementioned visual differences revealed by the direct comparison, an examination of the overall structures of the Trademark and the

cited trademark reveals that the Trademark and the cited trademark are almost identical in terms of the basic structure characterized by a dynamic figure of a red bull looking to the left with its horns directing forward against the background of an unpatterned figure painted in a yellowish warm color. In light of the fact that the two trademarks have various commonalities as mentioned above in terms of the structure of the figure of the bull, the two trademarks should be considered to be easily confused with each other in terms of appearance.

Moreover, the Trademark and the cited trademark can be considered to be almost identical (or similar) in terms of concept because the Trademark can be associated with the concept of a jumping red bull, while the cited trademark can be associated with the concept of a dashing red bull.

Therefore, the degree of similarity between the Trademark and cited trademark can be considered to be relatively high.

(3) Well-knownness of the cited trademark

According to the evidence (Exhibits Ko 5, 6, 8 to 13, 17, 19, 38 to 70, 73 to 94, 98, 99, 105, 108, 112, 113, 125 to 129, 134, 180, 181, 185 to 197, 200, 201, and 203) and the entire import of the oral argument, the following facts can be found.

A. Use of the Trademarks in Use for energy drinks

Company Red Bull sells the energy drink "Red Bull" by affixing the Red Bull word marks and Trademark in Use 1 to the cans and affixing a figure of a bull, which is a component part of the Trademarks in Use, to the pull-tabs of the cans. The designs of those trademarks have remained unchanged since the launch of the product until today (Exhibit Ko 180). The Trademarks in Use have been used in the advertisement for the product (Exhibit Ko 181).

The energy drink "Red Bull" was launched in 1987 in Australia and is now sold throughout the world. The number of units sold in the world reached 5.4 billion in FY2013 (Exhibit Ko 6). In Japan, the product was launched in 2005 and reached the sales volume of 176 million units and the sales of about 35.2 billion yen (about 200 yen per unit). The product has a dominant share in the energy drink market in Japan (Exhibits Ko 5, 6, and 185 to 196).

In addition to the TV commercials (Exhibit Ko 197), various advertisement activities are conducted. For example, a car called "Red Bull Mini" (Exhibits Ko 8 to 13) is used to advertise the energy drink "Red Bull." Trademark in Use 1 is affixed to the bumper of the car. To both sides of the car, the single-bull figure is affixed in a large size. Also, "Red Bull Event Car" is used to carry goods. To both sides of the car, the single-bull figure is affixed in a large size.

B. Use of the Trademarks in Use in sports, art, cultural events, etc.

Company Red Bull has multiple media departments and holds or sponsors various events including F1 races and other auto races and sports events such as football, ice hockey, freestyle motocross, and Red Bull air races and also holds cultural events such as art and music events. In all of these events, Company Red Bull uses the Trademarks in Use (Exhibit Ko 6). Trademark in Use 2 and Trademark in Use 3 are independently affixed to the helmets, caps, sportswear, boards, wristbands, etc. of the athletes participating in these events (Exhibits Ko 87, 99, 105, 108, 112, and 113).

C. Use of the Trademarks in Use in F1 races

In 1995, Company Red Bull participated in an F1 race as the sponsor of "Red Bull Sauber Petronas." In 2004, the racing team Red Bull Racing ("Red Bull Racing") was established (Exhibit Ko 6).

Red Bull Racing won the championship in the F1 Grand Prix (Suzuka) for four consecutive years from 2009 to 2012 in Japan. Various magazines, newspapers, etc. published feature articles about their achievement (Exhibits Ko 38 to 70). Not only auto magazines (Exhibits Ko 73 to 83) but also other general magazines (Exhibits Ko 84 to 94) published feature articles about Red Bull Racing.

A racing car of Red Bull Racing is characterized by a design consisting of Trademark in Use 1 and the Red Bull word marks affixed to the wing part of the body of the car. To the sides of the car, the cited trademark (Trademark in Use 2) or Trademark in Use 3 is affixed in a large size (Exhibits Ko 39 to 42, 46, 47, 49, 50, 52 to 57, 59 to 64, 66, 69, 79, and 83). Trademark in Use 1 and the Red Bull word marks are affixed to the chest part of the apparel of each racer who belongs to Red Bull Racing (Exhibits Ko 17, 19, etc.). The cited trademark (Trademark in Use 2) or Trademark in Use 3 is affixed to the sides of helmets (Exhibits Ko 19, 39, 41 to 43, 45, 55, 57, 59, and 60) and to the cuffs of the apparel (Exhibits Ko 49, 53, 55, 56, 59 to 61, and 63). The cited trademark (Trademark in Use 2) is also affixed to knit caps (Exhibit Ko 40).

D. Licensed use of the Trademarks in Use

From 1999, Company Red Bull licensed many companies to use the Trademarks in Use (Exhibit Ko 6). The licensees were authorized to use trademarks for various goods including models, video games, sunglasses, office equipment, bags, and clothes (Exhibits Ko 85, 91, 93, 94, and 126 to 129).

Company Red Bull is also conducting license business in the field of goods related to auto races (including motorbike races), selling goods bearing the Trademarks in Use (Exhibits Ko 200 and 201).

E. Advertisement costs

In FY2013, Company Red Bull spent about 2.16 billion yen as media costs and about 5.8 billion yen as marketing costs in Japan (Exhibit Ko 6).

F. Brand ranking

According to the brand survey conducted by Millward Brown in FY2013, "Red Bull" is ranked 83rd in the list of the most valuable 100 brands (Exhibit Ko 203). Also, "Red Bull" ranked 76th in the Forbes' list of the "World's Most Valuable Brands" for 2015 (Exhibit Ko 134).

G. As described above, as of the time of the filing of an application for registration of the Trademark, eight years had passed since the launch of the energy drink bearing Trademark in Use 1 in Japan. The sales of the energy drink reached 35.2 billion yen. Its market share exceeded about 60%. TV commercials and other advertisements were placed frequently (In Japan, about 5.8 billion yen is spent as advertisement costs every year). As a result, it can be found that the brand of Company Red Bull is widely recognized. The Trademarks in Use are used not only in auto races but also in many other events (Company Red Bull sponsors many athletes). Goods bearing the Trademarks in Use can be considered to have been introduced through TV, magazines, newspapers, and many other media for advertisement purposes.

Thus, it can be found that Trademark in Use 1 was widely recognized among traders and consumers in Japan as an indication of the goods of Company Red Bull as of the time of the filing of an application for registration of the Trademark and that the level of recognition of the trademark has remained high from the time of the filing of an application for registration of the Trademark up to the present.

Furthermore, the structure of the cited trademark (Trademark in Use 2) is a component part of the structure of Trademark in Use 1. Since Trademark in Use 1 is famous, it can be presumed that any consumer who comes across the cited trademark (Trademark in Use 2) would easily recognize that it is a component part of the structure of Trademark in Use 1. Trademark in Use 1 and the Red Bull word marks are designed and affixed to the wing part of the body of racing cars of Red Bull Racing. To the sides of the body of a car, the cited trademark (Trademark in Use 2) or Trademark in Use 3 is affixed in a large size. The cited trademark (Trademark in Use 2) or Trademark in Use 3 is also affixed to the sides of helmets, cuffs of apparel, and knit caps. In this way, the cited trademark (Trademark in Use 2) is used for many goods as a mark that is independent from Trademark in Use 1. To both sides of the car "Red Bull Mini," which is used for advertisement purposes, the single-bull figure is affixed in a large size. In an event such as an auto race, not only a considerable number of spectators but also a large number of TV viewers and magazine readers, etc. see those racing cars, etc. bearing the

cited trademark (Trademark in Use 2). Also, it can be found that helmets, caps, etc. bearing the cited trademark are sold in various places related to an auto race, etc.

Thus, it can be found that, as of the time of the filing of an application for registration of the Trademark and the time of an examiner's decision of registration, the cited trademark (Trademark in Use 2) was also widely recognized among traders and consumers not only in the field of energy drinks (beverages) pertaining to the business of Company Red Bull but also in the auto-related fields. It can be found that the cited trademark (Trademark in Use 2) was very famous and has remained so until today.

(4) Creativeness of the cited trademark

The cited trademark contains a silhouette of the entire body of a red bull looking to the left against the background yellow circle figure. According to the evidence (Exhibit Ko 174) and the entire import of the oral argument, it can be found that there are many registered trademarks containing a silhouette of the entire body of a bull looking to the left. Thus, even in consideration of the plaintiff's allegation that the cited trademark is distinctive because it is characterized by a dynamic figure of a dashing red bull, it cannot be found that the figure of a bull contained in the cited trademark is highly creative in comparison with the trademark consisting of a coined word or a unique figure, etc. Also, placing a circle figure, etc. in the background is a common technique. Therefore, the cited trademark consisting of a combination of a figure of a bull and a circle figure cannot be considered to be highly creative.

(5) Designated goods of the Trademark and the goods bearing the cited trademark

The cited trademark is actually used for automobiles and goods, etc. related to auto races, whereas the designated goods of the Trademark are: Class 1 "Detergent additives to gasoline, fuel-saving preparations, chemical additives to motor fuel, preparations for preventing the tarnishing of glass, antifreeze, sludge-removing preparations for radiators, antistatic preparations (excluding preparations for household purposes), priming putty, chemical preparations for decarbonising engines, chemical additives for oils, glass-frosting chemicals, and anti-puncture preparations," Class 3 "Anti-static preparations for household purposes, rust removing preparations, paint stripping preparations, canned pressurized air for cleaning and dusting purposes, perfume and flavor materials, incenses and fragrances, deodorant for automobiles, windscreen cleaning liquids, automobile cleaning preparations, automobile polishes, and deodorant spray," Class 4 "Dust absorbing compositions, dust removing preparations, lubricants, dust binding compositions for sweeping, leather preserving oil and grease, additives to motor fuel (non-chemical), lubricating oil for motor vehicle engines, gas for ignition or lighting (lamps), motor fuel, and additives for industrial oils and fuels (non-chemical),"

and Class 5 "Deodorants (other than for human beings or for animals), insect repellents, insect repellent incense, air purifying preparations, deodorant spray, insecticides, antimicrobials for dermatologic use, fumigating sticks, fumigating pastilles, and first-aid boxes, filled." Since the designated goods can be considered to include auto-related goods, the designated goods can be found to be related to auto-related goods, etc., which is the field where the cited trademark is famous among traders and consumers. The defendant engages in the sale, etc. of auto-related goods as a business (Exhibit Ko 2) and sells auto-related goods such as cleaning preparations, polishes, and air fresheners (Exhibits Ko 136 to 140) bearing the Trademark.

(6) Overlapping traders and consumers and other characteristics of transactions

The designated goods of the Trademark include a variety of auto-related goods that are consumed on a daily basis. The main consumers of the goods bearing the Trademark including auto-related goods are not only serious automobile lovers but also general consumers such as car owners and users. Since many of such general consumers do not necessarily have accurate and detailed knowledge about trademarks and brands, it can be found that they do not necessarily pay careful attention to the manufacturers' names and house marks.

Also, it can be found that Company Red Bull licensed various companies to use the Trademarks in Use and sell automobiles and various goods related to auto races bearing the Trademarks in Use including the cited trademark.

(7) Risk of causing confusion

The Trademark and the cited trademark are identical in terms of overall structure such as the placement of a dynamic figure of a red bull looking to the left with its horns directing forward against the background of an unpatterned figure painted in a yellowish warm color. In consideration of the facts that, since the main consumers of the goods bearing the Trademark such as auto-related goods include general consumers who do not have accurate or detailed knowledge about trademarks and brands, those main consumers cannot be considered to pay a particularly high level of attention at the time of the purchase of goods and that while the cited trademark cannot be considered to be highly creative, it is widely known in Japan, and the use of the Trademark for the designated goods could cause consumers (general consumers) to focus solely on the similarity between the Trademark and the cited trademark in terms of the basic structure of the figures contained therein and to fail to notice the difference between the two trademarks in terms of the shapes of the details.

The cited trademark is also famous among traders and consumers in the auto-related field as an indication of the goods, etc. of Company Red Bull. Many companies have

been licensed to use the Trademarks in Use, in which the cited trademark is used as a structural component, and to sell various goods such as auto-related goods bearing the Trademarks in Use including the cited trademark. Since the designated goods of the Trademark include auto-related goods, whose traders and consumers recognize the famousness of the cited trademark, it should be found that any traders and consumers who come across the Trademark affixed to its designated goods could associate the Trademark with the cited trademark, which is a famous trademark, and could misunderstand that those designated goods pertain to the business of Company Red Bull or any company that has a close business relationship with Company Red Bull or pertain to the business of a company that belongs to a group conducting a joint product development project by using the same indication of goods, etc. as the one used by Company Red Bull.

Therefore, the Trademark should be considered to fall under Article 4, paragraph (1), item (xv) of the Trademark Act and should not be registered as a trademark. Thus, it has to be said that there is an error in the JPO decision that determined otherwise, more specifically, the JPO's determination that the Trademark does not fall under said item.

(8) Allegation of the defendant

A. The defendant alleged that the Trademark is easily distinguishable from the cited trademark in terms of appearance because the two trademarks give a completely different impression due to the difference in the posture and the color of the bull and also in the structural components other than the bull. The defendant also alleged that the two trademarks are not associated with any particular pronunciation and concept and can therefore be considered to be so dissimilar that they are not easily confused with each other.

It is true that a direct comparison between the Trademark and the cited trademark reveals that there are some differences between the two trademarks in terms of specific structure as described in (2) B above. However, in light of the facts that the cited trademark is very famous and that the Trademark and the cited trademark can be associated with the almost identical concept, despite the existence of the differences between the two trademarks in terms of specific structure as pointed out by the defendant, it should be said that the use of the Trademark, which is considered to be identical with the cited trademark in terms of basic structure, for its designated goods including auto-related goods could cause traders and consumers who come across the Trademark to misunderstand that those designated goods pertain to the business of Company Red Bull or any company that has a close business relationship with Company Red Bull or pertain to the business of a company that belongs to a group

conducting a joint product development project by using the same indication of goods, etc. as the one used by Company Red Bull.

Despite the differences between the specific structure of the Trademark and that of the cited trademark in terms of appearance, since the degree of similarity between the Trademark and the cited trademark in terms of basic structure is relatively high, it should be said that there is a risk of confusion in terms of the source of goods, etc. due to a relatively low level of attention paid by general consumers as described in (6) above.

A determination as to the applicability of Article 4, paragraph (1), item (xv) of the Trademark Act should be made based on whether the use of the trademark in dispute for its designated goods, etc. could cause a misunderstanding that the goods, etc. pertain to the business of a company that has a close business relationship such as a so-called parent-subsidiary relationship or an affiliation relationship with another person, or pertain to the business of a company that belongs to a group conducting a joint product development project by using the same indication of goods as the one used by another person. The similarity or dissimilarity between the trademark and another person's trademark, etc. is merely one of the factors that should be taken into consideration when making the aforementioned determination. Even if there are some differences between the two trademarks in terms of appearance as alleged by the defendant, it cannot be said that those differences do not guarantee that the structure of the Trademark has the source-indicating function. A determination as to whether there is the risk of causing confusion cannot be determined based solely on the degree of similarity between the Trademark and the cited trademark in terms of appearance.

Therefore, the aforementioned allegation of the defendant is unacceptable.

B. The defendant alleged that the brand ranking, advertisement costs, the market share of the energy drink, the number of units sold, etc. alleged by the plaintiff are mostly related to Trademark in Use 1 and the Red Bull word marks and do not prove the well-knownness of Trademark in Use 2, i.e., the cited trademark, and the well-knownness of the cited trademark cannot be found based thereon and also alleged that the cited trademark affixed to the sides of racing cars, helmets, goggles, etc. was designed for the purpose of generating visual effect and has been recognized merely as a logo indicating the involvement of Company Red Bull as a sponsor. The defendant further alleged that cited trademark cannot be considered to have been widely known and famous as an indication of certain goods or services among traders and consumers in Japan as of the time of the filing of an application for registration of the Trademark and the time of the examiner's decision of registration.

However, consumers who come across the cited trademark (Trademark in Use 2) can be presumed to be able to easily recognize that the cited trademark is a structural component of Trademark in Use 1, which can be considered to be a famous trademark. Moreover, in view of the fact that the cited trademark (Trademark in Use 2) is affixed to racing cars, helmets, etc. of Red Bull Racing, it can be said that the cited trademark (Trademark in Use 2) is used independently from Trademark in Use 1 as found in (3) G above.

Therefore, it can be found that the cited trademark (Trademark in Use 2) was also widely known among traders and consumers as a trademark to distinguish goods, etc. pertaining to Company Red Bull not only in the field of energy drinks (beverages) but also in the auto-related field as of the time of the filing of an application for registration of the Trademark and the time of the examiner's decision of registration. On these grounds, the cited trademark can be found to be very famous.

In view of the fact that Company Red Bull licensed many companies to sell various goods such as auto-related goods bearing the Trademarks in Use including the cited trademark, the defendant's allegation that the cited trademark affixed to the sides of racing cars and helmets only functions as a mere logo showing who is sponsoring the auto race or the racing car is unacceptable.

While it can be interpreted that Article 4, paragraph (1), item (xv) of the Trademark Act aims to prevent the registration of a trademark that is likely to cause confusion about the source, the "goods or services pertaining to a business of another person" as specified in said item should not be limited to the business actually conducted by such another person. Thus, whether Company Red Bull actually provides the service of "planning and managing auto races" or engages in the business of manufacturing and selling automobiles, etc. would not affect the applicability of said item.

Therefore, the aforementioned allegation of the defendant is unacceptable.

C. The defendant alleged as follows: The designated goods of the Trademark are dissimilar to the goods bearing the cited trademark (gloves, helmets, stickers, etc.) in terms of manufacturing department, sales department, raw materials, and usage. Moreover, the designated goods of the Trademark do not overlap with the goods bearing the cited trademark in terms of traders and consumers. Therefore, the use of the Trademark by the defendant for its designated goods would not cause traders and consumers to associate the Trademark with the cited trademark (Trademark in Use 2) and would not cause confusion about the source of the goods.

However, since the designated goods of the Trademark include auto-related goods that are consumed on a daily basis, the consumers of those goods are not only serious

automobile lovers but also general consumers such as car owners. Those designated goods are related to the goods, etc. for which the cited trademark is actually used because both of those goods are related to automobiles. The designated goods of the Trademark overlap with the goods bearing the cited trademark in terms of consumers as found above. Even if the traders of the designated goods actually sold by the defendant (Exhibits Ko 138 to 140) are different from the traders of the goods bearing the cited trademark, it cannot deny the existence of overlap between the designated goods of the Trademark and the goods bearing the cited trademark in terms of consumers.

In view of the fact that the purchasers of the designated goods of the Trademark include general consumers who do not have any special knowledge, it cannot be simplistically found that the consumers pay a high level of attention on average. While the direct comparison between the Trademark and the cited trademark reveals that there are differences between the two trademarks in terms of appearance, consumers tend to choose and purchase goods without paying much attention to those differences. As found in (6) above, the Trademark is similar to the cited trademark in terms of overall basic structure and could therefore be easily confused with the cited trademark in terms of appearance.

In consideration of the fact that Company Red Bull is conducting licensing business, etc. on a large scale, it is reasonable to find that there is a risk of confusion in a broad sense.

Thus, the aforementioned allegation of the defendant is unacceptable.

2. Summary

As described above, since there is an error in the JPO decision that the Trademark does not fall under Article 4, paragraph (1), item (xv) of the Trademark Act, Grounds for Rescission 1 alleged by the plaintiff can be considered to be well grounded.

No. 6. Conclusion

As mentioned above, Grounds for Rescission 1 alleged by the plaintiff can be considered to be well grounded. Without needing to examine any other grounds for rescission, this court finds the plaintiff's claims well-grounded and acceptable. The judgment shall be rendered in the form of the main text.

Intellectual Property High Court, First Division

Presiding judge: SHIMIZU Misao

Judge: NAKASHIMA Motoyuki

Judge: OKADA Shingo