Trademark Right	Date	March 9, 2023	Court	Intellectual Property High Court, Second Division
	Case number	2022 (Gyo-Ke) 10122		
- A case in which the court rescinded the JPO's decision of dismissal of a case of appeal against an examiner's decision of refusal by holding that the Applied Trademark, "朔北カレー", is not similar to the Cited Trademark, "サクホク".				

Case type: Rescission of Appeal Decision of Refusal

Result: Granted

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

Related rights, etc.: Trademark Application No. 2020-20177

Decision of JPO: Appeal against an Examiner's Decision No. 2021-16353

Summary of the Judgment

The present case is a suit against the JPO's decision of dismissal of a case of appeal against an examiner's decision which refused the application for registration of the trademark, "朔北カレー" (Applied Trademark). The point of issue is whether or not the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act. In the JPO's decision, the court of prior instance held that "朔北" is understood to be a kind of coined word that does not evoke any specific meaning, and that, when the part, "朔北", is extracted from the mark, "朔北カレー", as an important part and compared with the Cited Trademark, "サクホク", the two have the same sound although they are different in appearance, and neither generates any specific concept. As such, the court of prior instance acknowledged that the two trademarks are similar, and that the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act.

In the judgment of the present case, the present court held that in Japan, the word, "朔北", is understood to be a term which basically means "the direction of north" or "northern land", and the court stated as follows: [1] The Applied Trademark is a combined trademark consisting of "朔北" and "カレー", and while the part, "カレー", does not generate the sound or concept as an indicator of source, the part, "朔北", is merely understood by consumers and business customers to be a term that represents "the direction of north" or "northern land" instead of a term that represents a specific land. As such, it should be possible to generate a sound or concept as an indicator of source for the designated goods (cooked curry, etc. contained in a vacuum-sealed pouch in Class 29). Meanwhile, there are no actual transactions in which consumers and business customers are using the mark, "朔北カレー", as an indication that constitutes a single meaning as a whole. Accordingly, it cannot be acknowledged

that the Applied Trademark consists of constituent parts which are combined in a way that is inseparable and that suggests that it would be unnatural in a business transaction to observe each constituent part separately. As such, it should be permissible to extract only the "朔北" part for comparison with another person's trademark to determine the similarity of the trademarks; and [2] When the mark, "朔北", is compared with the Cited Trademark, "サクホク", the two marks have the same sound but are clearly different in appearance and concept. Meanwhile, there are no actual transactions in which consumers and business customers can recall the Cited Trademark, "サクホク", or the right holder of the Cited Trademark by looking at the mark, "朔北". In addition, it cannot be acknowledged that, concerning the designated goods for the Applied Trademark and Cited Trademark, there are circumstances in which consumers or business customers determine the source of the goods by identifying the goods based mainly on the sound of goods, and it cannot be said that the distinctiveness of the sound surpasses the distinctiveness of the appearance and concept, so that when the Applied Trademark and Cited Trademark are used on the same or similar goods, there is no risk of causing any misunderstanding or confusion as to the source of the goods. Accordingly, the court determined that the Applied Trademark does not fall under Article 4, paragraph (1), item (xi) of the Trademark Act, and rescinded the JPO's decision.

Judgment delivered on March 9, 2023
2022 (Gyo-Ke) 10122 Case of seeking rescission of JPO decision
Date of conclusion of oral argument: February 9, 2023

Judgment

Plaintiff: Hokuto Co., Ltd.

Defendant: Commissioner of JPO

Main Text

1. The judgment rendered by the JPO for Appeal against Examiner's Decision No. 2021-16353 on October 21, 2022 shall be rescinded.
2. The court costs shall be borne by Defendant.

Facts and Reasons

No. 1 Claim

The same as the main text of this judgment.

No. 2 Outline of the case

The present case is a case seeking rescission of a JPO decision which dismissed a request for appeal against the examiner's decision of refusal of an application for trademark registration, and the point of dispute is whether or not the trademark pertaining to Plaintiff's application for registration falls under Article 4, paragraph (1), item (xi) of the Trademark Act.

1. The Trademark

Plaintiff is the applicant of the following trademark (hereinafter referred to as "Applied Trademark") (Exhibit Ko 1; Exhibit Otsu 1).

(1) Structure of the trademark

朔北カレー

(2) Date of application: February 26, 2020

(3) Classification of goods and services, and designated goods: Class 29

Cooked curry, etc. contained in a vacuum-sealed pouch; Curry mixes; Instant or pre-cooked curry; Processed meat products made with curry; Processed seafood made

with curry; Processed vegetables and fruits made with curry; Side-dish made of fermented soybean (Name-mono), made with curry

2. Outline of procedures at JPO

On February 26, 2020, Plaintiff filed an application for registration of the Applied Trademark, and received a notice of the decision of refusal on September 1, 2021.

On November 30 of the same year, Plaintiff filed an appeal against examiner's decision of refusal for the above decision of refusal (hereinafter referred to as "Appeal"). The JPO examined the request as Appeal against Examiner's Decision No. 2021-16353, and on October 21, 2022, rendered the decision to the effect that "the request for Appeal cannot be established" (hereinafter referred to as "Decision"), and a copy of the Decision was delivered to Plaintiff on November 2 of the same year.

3. The gist of the reasons for Decision

(1) Applied Trademark

The Applied Trademark consists of the characters, "朔北カレー (Sakuhoku Kare)", written horizontally, with the goods listed above in 1 (3) as designated goods upon filing the application for registration.

(2) Cited Trademark

In the decision of refusal made in the first instance, it was determined that the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act. The Trademark Registration No. 5787174 (hereinafter referred to as "Cited Trademark"), which was quoted in the reasons for rejection of the Application, consists of the characters, "サクホク (saku-hoku)", written in standard characters, and the application for registration was filed on April 23, 2015 with the designated goods of "Milk products; Processed meat products; Processed seafood products; Processed vegetables and fruits; Fried tofu pieces (Abura-age); Freeze-dried tofu pieces (Kori-dofu); Jelly made from devils' tongue root (Konnyaku); Soya milk; Tofu; Fermented soybeans [Natto]; Processed eggs; Curry stew, stew and soup mixes; Cooked curry stew, stew, miso soup, soup, and beans contained in vacuum-sealed pouches" in Class 29 and the goods in Class 30 which are as indicated in the register of trademarks. The Cited Trademark was granted registration on August 21 of the same year, and remains in full force and effect.

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

A. In the structure of the Applied Trademark, the characters, "朔北", constitute a word having meanings such as the following: "North, Northern" (Kojien Seventh

Edition; Iwanami Shoten, Publishers). However, it is difficult to say that the public is familiar with the word. Rather, the word is recognized as a kind of coined word that does not immediately evoke any specific meaning. In addition, the characters, "カレー", constitute a word (the aforementioned book) having meanings such as "a dish made with curry powder".

It can be said that the characters, "朔北", which are recognized as a kind of coined word that does not evoke any specific meaning, are more distinctive than the characters, "カレー", in relation to the designated goods of the Application, and thus give a strong and dominant impression to business customers and consumers. In that case, in the structure of the Applied Trademark, it cannot be acknowledged that the character part of "朔北" and the character part of "カレー" are combined in a way that is inseparable and that suggests that it would be unnatural in a business transaction to observe each component part separately. As such, it should be said that it is also permissible to extract only the "朔北" part from the Applied Trademark for comparison with another person's trademark (Cited Trademark) to determine the similarity per se of the trademarks.

Accordingly, in addition to the sound of "saku-hoku-curry" which is generated correspondingly to the component characters of the entire Applied Trademark, the sound of "saku-hoku" is generated correspondingly to the character part of "朔北", which is the important part of the Applied Trademark (hereinafter sometimes referred to as "Important Part of Application"). As such, the Applied Trademark does not generate any specific concept.

B. The Cited Trademark consists of the characters, "サクホク", written in standard characters, and said characters are not listed in a dictionary or the like, so that it is recognized as a kind of coined word that does not evoke any specific meaning.

Accordingly, the Cited Trademark generates the sound of "saku-hoku" correspondingly to the component characters, and does not generate any specific concept.

C. When the Important Part of Application and the Cited Trademark are compared, there is difference in appearance with regard to the type and number of the component characters. However, both are written using common fonts.

Next, in terms of sound, both generate the sound of "saku-hoku", so that they have the same sound.

As for the concept, neither generates any specific concept, so that they cannot be compared in terms of concept.

Given the above, the Important Part of Application and the Cited Trademark are compared as follows. In terms of appearance, they have the difference of the former using kanji characters and the latter using katakana characters, and they are also different in the number of letters used, but they are both written using common fonts. In terms of sound, they share the sound of "saku-hoku" which is generated from the Important Part of Application and the Cited Trademark. In terms of concept, neither of them generates any specific concept, so that they cannot be compared in terms of concept.

Furthermore, in regard to the use of a trademark, the actual transactions which are commonly conducted in Japan are such that component characters of a trademark are written interchangeably in different character types such as kanji, katakana, and Roman letters within the extent of generating the same sound. In addition, in regard to a word trademark which does not have any specific concept, it is reasonable to say that there are many instances in which a person, unable to memorize a trademark from its concept, memorizes it from the sound it generates, and relies on the sound when engaging in a transaction.

Based on the above, the Important Part of Application and the Cited Trademark are such that even if the two differ in appearance and cannot be compared in concept, it cannot be acknowledged, when the actual transactions as described above are considered, that the difference is so noticeable as to surpass the commonality in sound which plays a necessary role in a transaction. As such, when the impression, memory, association, etc. which the Applied Trademark and the Cited Trademark give to business customers and consumers by their appearance and concept are taken together, and are considered on the whole in light of the circumstances of transactions, it is reasonable to determine that the two are similar trademarks having a risk of causing misunderstanding or creating confusion as to the source of goods.

Accordingly, it is reasonable to determine that the Applied Trademark and the Cited Trademark are similar trademarks having a risk of being confused with one another.

D. The goods of "Cooked curry contained in a vacuum-sealed pouch; Curry mixes; Instant or pre-cooked curry" in the designated goods of the Application, and the goods of "Curry stew, stew and soup mixes; Cooked curry stew, stew, miso soup, and soup contained in vacuum-sealed pouches" in the designated goods of the Cited Trademark have the same consumers, raw materials, usage, place of sale, distribution channel, etc., so that the goods of the Application and the Cited Trademark are identical or similar. In regard to the "Processed meat products made with curry;

Processed seafood made with curry; Processed vegetables and fruits made with curry" in the designated goods of the Application, they are included in the "Processed meat products; Processed seafood; Processed vegetables and fruits" of the designated goods of the Cited Trademark, so that the goods of both sides are identical or similar.

E. The Applied Trademark and the Cited Trademark are similar trademarks having a risk of being confused with one another, and the designated goods of the Application and the designated goods of the Cited Trademark are identical or similar.

Accordingly, the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act.

(omitted)

No. 4 Judgement of this court

1. Similarity of trademarks

(1) The similarity of trademarks should be determined by whether or not the two trademarks to be compared have a risk of causing misunderstanding or creating confusion as to the source of goods when those trademarks are used for the same or similar goods. However, the decision-making requires the overall consideration of the impression, memory, association, etc. given on the whole by the trademarks, which are used for such goods, to business customers and consumers by their appearance, concept, and sound, etc. Furthermore, so long as the circumstances of transactions involving such goods can be made clear, it is reasonable to determine the matter based on the specific conditions of transaction. Even if the two trademarks are identical or similar in terms of any one of the appearance, concept, or sound, if the trademarks have no risk of causing misunderstanding or creating confusion for source of goods because the trademarks are significantly different in two other respects, or because of other circumstances of transaction, the trademarks shall not be interpreted as being similar (refer to Supreme Court Judgment 1964 (Gyo-Tsu) No. 110 rendered by Third Petty Bench on February 27, 1968 / Minshu Vol. 22, No. 2, page 399).

In addition, in regard to a trademark which is interpreted as a composite trademark consisting of combination of multiple component parts, if it is acknowledged that any part of the component parts of such trademark gives a strong and dominant impression to business customers and consumers as an indicator of source of goods or service, or if it is acknowledged that no sound or concept as an indicator of source is generated from other parts, or if, for other reasons, it cannot be

acknowledged that the component parts of the trademark are combined in a way that is inseparable and that suggests that it would be unnatural in a business transaction to observe each component part separately, it should be permissible to extract only said part of the component parts for comparison with another person's trademark to determine the similarity per se of the trademarks (Supreme Court Judgment 1962 (O) No. 953 rendered on December 5, 1963 / Minshu Vol. 17, No. 12, page 1621; Supreme Court Judgment 1991 (Gyo-Tsu) No. 103 rendered by Second Petty Bench on September 10, 1991 / Minshu Vol. 47, No. 7, page 5009; Supreme Court Judgment 2007 (Gyo-Hi) No. 223 rendered by Second Petty Bench on September 8, 2008 / Saibanshu (Minji) No. 228, page 561).

(2) When the above is considered for the present case, the Applied Trademark consists of the five characters "朔北カレー" written horizontally in the same font, with the "朔北" part being written in kanji and the "カレー" part being written in katakana characters.

A. Concerning the "朔北" part

(A) Kojien Seventh Edition (Exhibit Ko 6; Exhibit Otsu 2) indicates the following on the word, "朔北": "(The character, "朔", means the direction of north) [1] North, Northern; [2] Northern land, in particular, a far-off place off to the north of China". The description also indicates "朔風 (Sakufu)" (meaning "north wind") as an idiom which uses "朔" to refer to the "direction of north", and "朔方 (Sakuho)" (meaning "north", "northern", and "朔北"). A similar explanation about "朔北" is also indicated in the Second Edition of Shincho Gendai Kokugo Jiten (Exhibit Ko 7), the Fourth Edition of Gendai Kokugo Reikai Jiten (Shogakukan; Exhibit Ko 27), the Tenth Edition / Wide Version of Shinsen Kokugo Jiten (Shogakukan; Exhibit Ko 28), the Eleventh Edition of Obunsha Kokugo Jiten (Exhibit Ko 29), the Second Edition of Jitsuyo Kokugo Jiten (Seibido Shuppan; Exhibit Ko 30), the Revised Sixth Edition of Gakken Gendai Shinkokugo Jiten (Exhibit Ko 31), the Eighth Edition / Blue Version of Shinmeikai Kokugo Jiten (Sanseido; Exhibit Ko 32), and the Eighth Edition of Iwanami Kokugo Jiten (Exhibit Ko 33).

(B) In regard to "朔北", there are usage examples such as "朔北の爪牙" [Sakuhoku no soga], which is the name of an event quest for FF11, in a famous game series called "Final Fantasy" series (Exhibits Ko 12 and 13), and "ヌルハチ朔北の将星" [Nuruhachi Sakuhoku no shosei] (Exhibit Ko 14), which is the title of a novel.

(C) While "朔" is not listed in the national list of kanji characters in common use, this character is used for the name of a famous person named "萩原朔太

郎 (HAGIWARA Sakutaro)" and for the name of a fruit called "八朔 (Hassaku)", among others (Exhibits Ko 24 to 26). The character, "北", represents a direction (Exhibit Ko 6).

(D) When the above is taken together, it is reasonable to acknowledge that in Japan, "朔北" is a word which generally represents the "direction of north" or "northern land".

B. Concerning the "カレー" part

In terms of the relationship with the designated goods of the Applied Trademark, it is acknowledged that consumers and business customers are of the understanding that the word represents a quality of goods or some raw material used in goods. As such, it cannot be said that the part generates a sound or concept as an indicator of source.

C. Whether or not the trademark can be separated for observation

The Applied Trademark is a composite trademark consisting of "朔北" and "カレー". As described above, no sound or concept as an indicator of source is generated from the "カレー" part, whereas the "朔北" part is merely understood by consumers and business customers as a word that represents the "direction of north" or "northern land", and not as a word that represents a specific area. As such, in terms of the relationship with designated goods, it can be said that the Applied Trademark can generate the sound or concept as an indicator of source. There is no actual transaction in which "朔北カレー" is used by consumers and business customers in an integral and unified manner only.

In that case, since it cannot be acknowledged that the Applied Trademark is combined in a way that is inseparable and that suggests that it would be unnatural in a business transaction to observe each component part separately, it should be said that it is also permissible to extract only the "朔北" part for comparison with another person's trademark to determine the similarity itself of the trademarks.

(3) Similarity between the Applied Trademark and the Cited Trademark

In light of the above, the "朔北" part of the Applied Trademark (Important Part of Application) and the Cited Trademark shall be compared to consider their similarity.

A. Appearance

The Important Part of Application consists of the two kanji characters, "朔北", whereas the Cited Trademark consists of the four katakana characters, "サクホク", and the Important Part of Application and the Cited Trademark are clearly different in

appearance.

B. Sound

The sound of the Important Part of Application is "saku-hoku", and the sound of the Cited Trademark is also "saku-hoku", so that the Important Part of Application and the Cited Trademark have the same sound.

C. Concept

While the Important Part of Application generates the concept of the "direction of north" and "northern land", "サクホク" is a coined word that is not listed in a dictionary or the like and does not generate any specific concept, so that the Important Part of Application and the Cited Trademark are clearly different in concept.

D. As described above, the Important Part of Application and the Cited Trademark share the same sound, but the appearance and concept are clearly different. There is no actual transaction in which "朔北" evokes the Cited Trademark, "サクホク", or the right holder of the Cited Trademark to consumers or business customers, and it cannot be acknowledged that, in regard to the designated goods of the Applied Trademark and the Cited Trademark, there are actual transactions in which consumers or business customers identify goods based only on the sound of goods and determine the source of the goods thereby. As such, it cannot be said that the distinctiveness of sound outweighs the distinctiveness of appearance and concept, and it cannot be said that when the Applied Trademark and the Cited Trademark are used on the same or similar goods, there is a risk of causing misunderstanding or creating confusion as to the source of goods.

In that case, it cannot be said that the Applied Trademark is similar to the Cited Trademark.

2. Claims made by the parties

(1) Claim by Plaintiff

A. Plaintiff argues that the Cited Trademark generates the concept and image of being warm and having a flaky texture, or "saku-saku" in Japanese, as well as a soft texture, for which the Japanese onomatopoeic word of "saku-saku" is used, whereas usage examples like "saku-saku and hoku-hoku texture" and "saku-hoku texture" indicated by Plaintiff all pertain to processed potato snacks which are products of Calbee, Inc. (Exhibits Ko 16 to 21). Since it cannot be acknowledged that "saku-hoku" is commonly used by the public to represent texture in the food field, which includes the designated goods of the Applied Trademark, as a word which represents texture, the above claim by Plaintiff cannot be accepted.

B. Plaintiff argues, among other things, that the manner of use of the Applied

Trademark (Exhibit Ko 5) generates concepts such as "curry which is favored by the Self-Defense Forces stationed in the JGSDF Camp Nayoro, located in a ‘northern land’ of Nayoro-shi, Hokkaido". However, the word, "朔北", does not immediately evoke Nayoro-shi, Hokkaido, and there is not sufficient evidence to acknowledge that there are actual transactions in which the Applied Trademark evokes Plaintiff's goods to consumers and business customers. As such, the above claim by Plaintiff cannot be accepted.

(2) Claim by Defendant

Defendant argues that it is difficult to say that the characters, "朔北", in the structure of the Applied Trademark is a word with which people in Japan are familiar, and the word is recognized as a kind of coined word that does not immediately evoke any specific meaning. As described above in 1 (2), the characters, "朔北", constitute a word which is listed in a number of dictionaries, etc., and which is sometimes used in event quests in games and for titles, etc. of novels, and that the character of "朔", which is part of such use, is well-known because of its usage in people's names and names of fruits as well, and that "朔北" is a word made of commonly known characters, so that it cannot be said that consumers and business customers would understand "朔北" to be a coined word that does not evoke any specific meaning, so that the above claim by Defendant cannot be accepted.

3. As described above, it cannot be said that the Applied Trademark and the Cited Trademark are similar, so that the Applied Trademark does not fall under Article 4, paragraph (1), item (xi) of the Trademark Act. In that case, the Decision is erroneous in its determination about the applicability according to the same item.

No. 5 Conclusion

Based on the above, the grounds for rescission as claimed by Plaintiff are reasonable, so that the Decision should be rescinded. Accordingly, the court renders a judgment as per the main text.

Intellectual Property High Court, Second Division

Presiding Judge: HONDA Tomonari
Judge: ASAI Ken
Judge: KATSUMATA Kumiko