

Trademark Right	Date	November 30, 2023	Court	Intellectual Property High Court, Fourth Division
	Case number	2023 (Gyo-Ke)10063		
<p>- A case in which the Court determined that the Applied Trademark, which consists of the letters "VENTURE" written in standard characters, is not similar to the Cited Trademark, which is a composite trademark that has a structure consisting of the Chinese character "遊" written in a large size in a calligraphy-like style and placed on the upper center, and the alphabetic letters "VENTURE" written in Gothic script and placed at the bottom, and the Court held that it cannot be said that the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act.</p>				

Case type: Granted

Result: Appeal granted

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

Related rights, etc.: Trademark Application No. 2020-128329; Appeal against Examiner's Decision No. 2022-8509

Summary of the Judgment

1 The Plaintiff filed an application for registration for the Applied Trademark, which consists of the letters "VENTURE" written in standard characters, by designating "Clothing" in Class 25 among other goods, and received a decision of refusal. As such, the Plaintiff requested for an appeal against the examiner's decision of refusal.

The JPO rendered a decision that dismissed the request for an appeal by holding that the Applied Trademark is similar to the registered trademark indicated below (Cited Trademark), for which an application for trademark registration was filed earlier than the application date of the present application, and that the "Clothing; Liveries; Pants and trousers; Hats; Rash guards" in Class 25 from among the designated goods of the Applied Trademark are the same as, or similar to the "Clothing" in Class 25 of the designated goods of the Cited Trademark, and thus the Applied Trademark falls under Article 4, paragraph(1), item(xi) of the Trademark Act and cannot be registered.

[Cited Trademark]



2 In the judgment of the present case, the Court held that the Applied Trademark does not fall under Article 4, paragraph (1), item (xi) of the Trademark Act by determining as follows, and reversed the above decision.

(1) Similarity of a trademark, in relation to Article 4, paragraph (1), item (xi) of the Trademark Act, should be determined holistically by giving consideration to the overall impression, recollection, association, etc. given to traders and consumers by the appearance, concept, appellation, etc. of the trademark that is used for the same or similar goods or services, in light of the actual circumstances of transaction pertaining to the goods or services, and in the case of what is understood to be a composite trademark that is a combination of multiple constituent parts, it must be said that it is not permissible to extract a part of the constituent parts of the trademark for comparison of such part alone with another person's trademark to determine the similarity of the trademarks themselves unless [i] it is acknowledged that such part gives a strong and dominant impression to traders and consumers as an indicator of source for goods or services, or [ii] it is acknowledged that other parts do not generate any appellation or concept as an indicator of source, or [iii] it is believed, given the appearance, etc. of the trademark, that the structure of the trademark as a whole is weak in cohesiveness, so that when traders and consumers take in the trademark by separating it and recognizing a part thereof as an abbreviation or the like, it results with such constituent part independently performing the function as an indicator of source. In the case illustrated above in [iii], this does not mean that all of the constituent parts having been separated naturally constitute important parts (constituent parts with respect to which it is permissible to separate or extract the same to determine similarity).

(2) The Cited Trademark is a composite trademark having a structure in which the Chinese character "遊" written in a large size in a calligraphy-like style is placed on the upper center, and the alphabetic letters "VENTURE" written in Gothic script are placed at the bottom.

The character "遊" has a size that is approximately five times that of each of the letters making up "VENTURE", both in length and width, and has an area that is approximately 25 times larger. When the character "遊" is compared with the area of the entire letter part constituting the letters "VENTURE", the former is approximately 3.5 times the latter, so that the character part "遊" shows an overwhelming presence in terms of size compared to the letter part "VENTURE".

The font design of the character "遊" is in a calligraphy style, written in powerful Gothic script, and along with the meaning of the word, the font design gives a lively impression and a sense of interest to onlookers, whereas the part "VENTURE" does not show any feature other than being in Gothic script and having thickish letters being slightly inclined to the right.

The character part "遊" is placed on the upper center and inevitably makes an appeal that it constitutes the central part of the entire structure of the trademark. On the other hand, the letter part of "VENTURE" has an appearance that gives an impression of a pedestal that supports "遊" at the bottom.

(3) Upon comparison with the constituent parts of the Cited Trademark, and comprehensively considering the circumstances such as the overwhelming presence of the character part "遊", as derived from the difference in size of characters, and the difference in appeal derived from the difference in script, and the subordinate-superior relationship naturally derived from how the entire structure is placed, and it being impossible to find any basis on which to understand that the Cited Trademark is a trademark consisting of a series of united letters in terms of appellation and concept, the traders and consumers coming in contact with the Cited Trademark may understand that the Cited Trademark consists of the character part "遊" and the letter part "VENTURE" separately, and may recognize the character part "遊", which exerts a strong presence and appeal as a central constituent element, as an abbreviation or the like, and thus may understand the character part "遊" as an independent indicator of source. On the other hand, the letter part "VENTURE" clearly has a weak presence in the structure of the entire trademark, and it cannot help but give the impression that it is a subordinate constituent part, so that it is unlikely, based on common sense, that traders and consumers would focus on this part and recognize it as an abbreviation, etc. of the Cited Trademark, so that the Court cannot find that this part is the important part of the Cited Trademark.

The Defendant argues that the letters "VENTURE" are written in a size that is big enough for consumers and traders to recognize them, and that the size of the letters cannot make the letter part "VENTURE" an unimportant part. If what is at issue

only concerns the relative size of characters/letters, the above argument made by the Defendant can be affirmed, but the size difference between the character part "遊" and the letter part "VENTURE" in the present case is on a level different from the relative size differences, and furthermore, upon also giving consideration to factors such as the difference in appeal derived from the difference in script, and the subordinate-superior relationship derived from the placement of component parts, it cannot be said that the Defendant's argument is appropriate for the present case.

(4) On the premise of the above findings and determinations, the similarity between the Applied Trademark and the Cited Trademark is determined below. Upon considering the matter on the premise of observation of each trademark in its entirety, the difference in appearance, appellation, and concept becomes greater correspondingly to the difference in terms of the presence or lack of the character "遊" of the Cited Trademark, so that the Court cannot affirm similarity. Next, if the character part "遊" is observed separately from the letter part "VENTURE", and then similarity is determined by considering the part "遊" as the important part, it is needless to say that the Court cannot acknowledge similarity with the Applied Trademark.

Judgment rendered on November 30, 2023

2023 (Gyo-Ke) 10063 Case of seeking rescission of JPO decision

Date of conclusion of oral argument: October 3, 2023

Judgment

Plaintiff: Kabushiki Kaisha KGI

Defendant: Commissioner of JPO

Main text

1. The decision rendered by the JPO on April 28, 2023 for the Case of Appeal against Examiner's Decision No. 2022-8509 shall be rescinded.
2. Court costs shall be borne by the Defendant.

Facts and reasons

No. 1 Claims

The same gist as the main text.

No. 2 Background

1. History of the procedures, etc. at JPO (Matters over which the parties are not in dispute)

(1) On October 16, 2020, the Plaintiff filed an application for registration for the trademark consisting of the letters "VENTURE" written in standard letters (hereinafter referred to as "Applied Trademark"), by designating "Clothing" in Class 25 among other goods (the designated goods after amendment by the written amendment dated October 11, 2021 are as indicated in Attachment 1) (Trademark Application No. 2020-128329).

(2) The Plaintiff received a decision of rejection dated March 7, 2022, and on June 3 of the same year, filed an appeal against the examiner's decision of refusal.

The JPO examined the above appeal as the Case of Appeal against Examiner's Decision No. 2022-8509, and on April 28, 2023, rendered a decision to the effect that "the request for appeal of the present case has no grounds" (JPO Decision), and a copy of the JPO Decision was delivered to the Plaintiff on May 23 of the same year.

(3) On June 19, 2023, the Plaintiff filed the lawsuit of the present case seeking rescission of the JPO Decision.

2. Summary of the reasons for the JPO Decision

(1) The gist of the reasons for the JPO Decision is that the Applied Trademark is similar to the registered trademark of Attachment 2 (hereinafter referred to as "Cited Trademark"), for which an application for trademark registration was filed earlier than the application date of the present application, and that the "Clothing; Liveries; Pants and trousers; Hats; Rash guards" in Class 25 from among the designated goods of the Applied Trademark are the same as, or similar to the "Clothing" in Class 25 of the designated goods of the Cited Trademark, and thus the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act and cannot be registered.

(2) Details of the JPO Decision pertaining to the similarity between the Applied Trademark and the Cited Trademark are summarized below.

A. The Applied Trademark generates the appellation of "ven-ture" and the concept of "adventure".

B. It is difficult to find any connection between the meanings of the letter part "遊" and the letter part "VENTURE" in the Cited Trademark, and the letter size, letter type, and the letter font are different, and there is no special reason for which these letter parts are otherwise recognized as always inseparable, so that each letter part is able to perform the function as an indicator of distinction between one's goods and others' goods.

In the case of the Cited Trademark, it is permissible to separate and extract the letter part of "VENTURE" from among the composition, and to consider it as the important part of the trademark for comparison with the trademarks of other persons to determine the similarity of the trademarks themselves.

C. The Applied Trademark and the Cited Trademark, when the overall appearances are considered, have the difference of the letter part of "遊". However, if comparison is made with regard to the letter part of "VENTURE", which is the important part in the Applied Trademark and the Cited Trademark, the two trademarks give the impression that they are similar in appearance. Furthermore, the two trademarks share the same appellation of "ven-ture" and the concept of "adventure".

In that case, the Applied Trademark and the Cited Trademark, when the respective important parts are compared, give the impression that they are similar in appearance. They also have the same appellation and concept, so that when the impression, memory, and recollection, etc. which business partners and consumers receive from the appearance, appellation, and concept of these trademarks when they

are comprehensively taken into consideration, it should be said that the two trademarks are similar marks having a risk of causing confusion with each other.

3. Cause for rescission

Error in the determination of applicability to Article 4, paragraph (1), item (xi) of the Trademark Act

(omitted)

No. 4 Judgment of this court

1. Cause for rescission (Error in the determination of applicability to Article 4, paragraph (1), item (xi) of the Trademark Act)

(1) Similarity of a trademark, in relation to Article 4, paragraph (1), item (xi) of the Trademark Act, should be determined holistically by giving consideration to the overall impression, recollection, association, etc. given to traders and consumers by the appearance, concept, appellation, etc. of the trademark that is used for the same or similar goods or services, in light of the actual circumstances of transaction pertaining to the goods or services. In the case of what is understood to be a composite trademark that is a combination of multiple constituent parts, it must be said that it is not permissible to extract a part of the constituent parts of the trademark for comparison of such part alone with another person's trademark to determine the similarity of the trademarks themselves unless [i] it is acknowledged that such part gives a strong and dominant impression to traders and consumers as an indicator of source for goods or services, or [ii] it is acknowledged that other parts do not generate any appellation or concept as an indicator of source, or [iii] it is believed, given the appearance, etc. of the trademark, that the structure of the trademark as a whole is weak in cohesiveness, so that when traders and consumers regard a trademark by separating it and comprehending a part thereof to be an abbreviation or the like, it results with such constituent part independently performing the function as an indicator of source. It should be noted that, in the case illustrated above in [iii], this does not mean that all of the constituent parts having been separated naturally constitute important parts (constituent parts with respect to which it is permissible to separate or extract the same to determine similarity).

(2) The Applied Trademark

The Applied Trademark consists of the letters "VENTURE" written in standard letters, and is no other than the indication, in capital letters, of the word "venture", which means "adventure" in English, and the word, pronounced as "ven-ture", is also

found in a Japanese-language dictionary (Exhibit Otsu 4).

In that case, the Applied Trademark generates the appellation of "ven-ture" and the concept of "adventure".

(3) Cited Trademark

A. The Cited Trademark is a composite trademark having a structure in which the Chinese letter "遊", written in a large size in a calligraphy-like style, is placed in the upper center, and the alphabetic letters "VENTURE", written in Gothic script, are placed at the bottom.

(A) When focusing on the appearance, which is then observed in detail, the letter "遊" in the upper center has a size that is approximately five times that of each of the letters making up "VENTURE", both in length and width. In area, the size is approximately 25 times greater. When the letter "遊" is compared with the area of the entire letter part constituting "VENTURE" (seven alphabets), the former is approximately 3.5 times greater than the latter, so that the letter part "遊" shows an overwhelming presence relative to the letter part "VENTURE".

The font design of the letter "遊" is written in a powerful, semi-cursive style with a touch of calligraphy, and along with the meaning of the word, the font design gives a lively impression and a sense of interest to onlookers, whereas the part "VENTURE" does not show any feature other than being in Gothic script and having thickish letters that are slightly inclined to the right.

The letter part "遊" is placed in the upper center and inevitably makes an appeal that it constitutes the central part of the entire structure of the trademark. On the other hand, the letter part of "VENTURE" has an appearance that gives the impression of a pedestal which supports "遊" at the bottom.

(B) Next, when focusing on and considering the appellation and concept, from among the composition of the Cited Trademark, the letter part of "VENTURE" generates the appellation of "VENTURE" and the concept of "adventure" as described in (2). The letter part of "遊" generates the appellation of "yu" or "aso" (as in "asobi" and "asobu"), so that the concept of "walking around for fun (asobu)" or the like is generated (Exhibit Otsu 5).

Accordingly, when the above factors are observed on the whole, it can be said that the appellation of "yu-ven-ture" or "aso-ven-ture" is tentatively generated. However, such appellation is not always primal, so that it cannot be denied that the trademark gives the impression that the reading, as an integrated letter trademark, is uncertain (unknown) to consumers and business partners.

In addition, it is difficult to find a single concept that combines the concept,

which generates from the "遊" part, of "walking around for fun", and the concept, which generates from the "VENTURE" part, of "adventure". It also cannot be acknowledged that a specific concept is generated from the coined word of "yu-venture" or "aso-venture".

Regarding this point, the Plaintiff asserts that the parts described above lead to the understanding, in terms of concept, of "venturing out at will", but such connection is weak and is little more than association, and it is unreasonable to look for grounds for the assertion that the trademark has the function of an indicator of source.

B. In light of the above findings, by referring to what is illustrated above in (1) [iii], whether or not it is possible to separately observe the Cited Trademark, and acknowledgement of the important part shall be considered.

The Cited Trademark is a composite mark consisting of the letter part "遊" and the letter part "VENTURE", and in principle, the trademark should be observed in its entirety as described above. Meanwhile, upon comparison of the constituent parts described above, in addition to the overwhelming presence of the letter part "遊", as derived from the difference in size of letters, it can be pointed out that there are factors such as the difference in appeal derived from the difference in script, and the subordinate-superior relationship naturally derived from how the entire structure is placed, and upon comprehensively considering the circumstances such as it being impossible to find any grounds based on which to understand that the Cited Trademark is a trademark consisting of unified letters in terms of appellation and concept, the traders and consumers coming in contact with the Cited Trademark may regard the letter part "遊" and the letter part "VENTURE" separately and comprehend the trademark as such, and may recognize the letter part "遊", which exerts a strong presence and appeal as a central constituent element, as an abbreviation or the like, and thus may understand the letter part "遊" as an independent indicator of source.

On the other hand, the letter part "VENTURE" clearly has a weak presence in the structure of the entire trademark, and it cannot help but give the impression that it is a subordinate constituent part, so that it is unlikely, based on common sense, that traders and consumers would focus on this part and recognize it as an abbreviation, etc. of the Cited Trademark. As such, it should be said that the Court cannot find this part to be the important part of the Cited Trademark.

Regarding the JPO Decision, the Court agrees that the determination that it is possible to separately observe the letter part of "遊" and the letter part of "VENTURE" is reasonable, but cannot agree with the determination of acknowledging the letter part "VENTURE" as the important part.

C. The Defendant argues that although the letter part of "遊" is written in a relatively large size, the letters "VENTURE" are also written in a size which is large enough to be recognized by consumers and business partners, so that the size of the letters cannot determine that the letter part of "VENTURE" is not the important part. Indeed, if what is at issue only concerns the relative sizes of letters, the Court can affirm the above argument made by the Defendant, but the size difference between the letter part "遊" and the letter part "VENTURE" in the present case is of a scale different from the relative size difference, and furthermore, upon also giving consideration to factors such as the difference in appeal derived from the difference in script, and the subordinate-superior relationship derived from the placement of component parts, it cannot be said that the Defendant's argument is appropriate for the present case.

To note, the issue of whether or not the letters "VENTURE" generally constitute the function as an indicator of source in relation to the designated goods (Clothing) of the Cited Trademark is not relevant to the aforementioned determination.

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

On the premise of the above findings and determinations, the similarity between the Applied Trademark and the Cited Trademark is determined below. Upon considering the matter on the premise of observation of the trademarks in their entirety, the difference in appearance, appellation, or concept becomes greater correspondingly to the difference in terms of the presence or lack of the letter "遊" of the Cited Trademark, so that the Court cannot affirm similarity.

Next, in the Applied Trademark, if the letter part "遊" is observed separately from the letter part "VENTURE", and then similarity is determined by considering the part "遊" as the important part, it is needless to say that the Court cannot acknowledge similarity with the Applied Trademark.

As such, the Applied Trademark does not fall under Article 4, paragraph (1), item (xi) of the Trademark Act.

2. Conclusion

Based on the above, there is error in the JPO Decision which held that the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act, so that the Plaintiff's claims have grounds. Accordingly, the Court rescinds the JPO Decision and renders a judgment as per the main text.

Intellectual Property High Court, Fourth Division

Presiding Judge: MIYASAKA Masatoshi
Judge: MOTOYOSHI Hiroyuki
Judge: IWAI Naoyuki

Attachment 1

Class 9: Ear plugs for swimmers; Ear plugs for divers; Life-saving apparatus and equipment; Life jackets; Apparatus and instruments for underwater swimming; Eyewear; Sunglasses; Divers' masks; Swimming goggles; Protective helmets for sports; Sports whistles; Air tanks; Snorkels; Regulators; Wet suits for divers

Class 18: Metal fittings for bags; Metal frames for coin purses; Horseshoes; Boxes of leather; Clothing for pets; Bags; Waterproof bags; Pouches; Vanity cases; Umbrellas; Sticks; Walking sticks; Metal fittings for walking sticks; Walking stick handles

Class 25: Clothing; Liveries; Trousers and pants; Garters; Stocking supporters; Suspenders; Waistbands; Belts for clothing; Headgear for wear; Masquerade costumes; Sports shoes and footwear; Boots for sports; Boots for surfing; Sports clothing; Wetsuits for aquatic sports; Rash guards

Class 28: Sports equipment; Gloves for sports; Surfboards; Wakeboards; Boards for wakeboarding; Boards for boardsailing; Webbed gloves for swimming; Fishing tackles

Attachment 2

Trademark Registration No. 6434159

Application date: July 31, 2020

Registration date: August 26, 2021

Designated goods: Class 25 "Clothing"

Composition of the registered trademark

