

Unfair Competition	Date	January 24, 2019	Court	Intellectual Property High Court, Fourth Division
	Case number	2018 (Ne) 10038		
<p>- A case in which, concerning a case over a dispute of whether or not the saxophone straps sold by the appellee fall under imitation of configuration (Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act) of the saxophone straps sold by the appellant, the court held that, with regards to the saxophone straps sold by the appellant, the entirety of the product is subject to protection under Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act, and that the saxophone straps sold by the appellee have substantially the same configuration as, and were made by relying on, the configuration of the saxophone straps sold by the appellant, so that the act of unfair competition as stipulated in Article 2, paragraph (1), item (iii) of the Unfair Competition Act is applicable.</p>				

Case type: Injunction, etc.

Result: Modification of the prior instance judgement

References: Article 2, paragraph (1), item (iii), Articles 3 and 4, and Article 5, paragraph (2) of the Unfair Competition Prevention Act

#### Summary of the Judgment

1. Concerning the saxophone straps sold by the appellee (hereinafter referred to as "Defendant's Product"), the appellant argued that the Defendant's Product falls under imitation of configuration (Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act) of the saxophone straps sold by the appellant (hereinafter referred to as "Plaintiff's Product") and sought against the appellee, pursuant to Article 3 of the Unfair Competition Prevention Act, an injunction against the sale and the like of the Defendant's Product as well as disposal of the Defendant's Product, in addition to demanding 8,800,000 yen in damages pursuant to Article 4, and Article 5, paragraph (2) of the same Act.
2. In the judgment in prior instance (Tokyo District Court, 2017 (Wa) 21107; judgment rendered on March 19, 2018), it was determined that, of the configuration of the Plaintiff's Product, the subject of protection according to Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act is limited to the part which is based on the part with respect to which there was substantial change from the configuration of the pre-model change product (hereinafter referred to as "Defendant's Old Product"), but it cannot be said that the aforementioned part is substantially identical to the part which is found in the Defendant's Product and which corresponds to the aforementioned part, nor that the Defendant's Product relied on the Plaintiff's Product, and thus the court dismissed the appellant's claims entirely.

3. In the judgment of the present case, the court held as follows and modified the judgment in prior instance based on the appeal of the present case.

(1) It cannot be said that the configuration of the Plaintiff's Product falls under the "configuration ... which is indispensable to ... functioning [of the goods]" (proviso of Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act) or a common configuration. Furthermore, the configuration of the Plaintiff's Product is not substantially identical to the configuration of the Plaintiff's Old Product but is a separate configuration. Next, in light of the purport of Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act, the "configuration of goods" as protected by the same item refers to the configuration of the entire product. As such, the configuration of the entirety of the Plaintiff's Product is subject to protection under Article 2, paragraph (1), item (iii) of the Unfair Competition Prevention Act.

(2) When the Plaintiff's Product and the Defendant's Product are compared, the difference is such that it causes little change to the entire configuration of the respective products, and the difference is only slight in terms of the entire product, which means that the Plaintiff's Product and the Defendant's Product are substantially identical. Furthermore, in light of factors such as the timing of start of sale of the Plaintiff's Product and the Defendant's Product, and the prior relationship between the appellant and the appellee, the Defendant's Product is a product made by relying on the Plaintiff's Product.

Accordingly, the Defendant's Product falls under imitation of configuration of the Plaintiff's Product.

(3) With regards to the amount of damages by the appellant, (1) pursuant to Article 5, paragraph (2) of the Unfair Competition Prevention Act, the amount is estimated to be the same as the amount of profits made by the appellee, which is 166,981 yen, and (2) it is reasonable to acknowledge that the damages which are equivalent to the attorney's fees having reasonable causal relationship with the appellee's act of unfair competition shall be 50,000 yen.

(4) Accordingly, the appellant's claims are reasonable within the extent of seeking injunction against the sale and the like of the Defendant's Product as well as disposal of the Defendant's Product, and of seeking payment of damages in the amount of 216,981 yen and the corresponding delinquency charges.