

Trademark Right	Date	October 30, 2024	Court	Intellectual Property High Court, Fourth Division
	Case number	2024 (Gyo-Ke) 10047		
<p>- A case in which the court determined that there is no error in the part of the JPO Decision ruling that the Trademark in the Application (3D trademark) falls under Article 3, paragraph (1), item (iii) of the Trademark Act; however, the part of the JPO Decision that denied the application of paragraph (2) of said Article is erroneous, and therefore rescinded the JPO Decision.</p>				

Case type: Rescission of Trial Decision

Result: Granted

References: Article 3, paragraph (1), item (iii) and paragraph (2) of the Trademark Act
Decision of the JPO: Appeal against Examiner's Decision of Refusal No. 2021-11555

Summary of the Judgment

1. The Plaintiff filed an application for trademark registration (original application) for a 3D trademark consisting of the structure indicated in Attachment 2 to the judgment while specifying goods or services in Class 9, Class 16, Class 25, Class 28, and Class 41 as designated goods or services; however, the Plaintiff received a notice of grounds for refusal to the effect that when using the Trademark in the Application for Class 28 "stuffed toys, action figures, dolls, and other toys" from among its designated goods, it falls under Article 3, paragraph (1), item (iii) of the Trademark Act. Then, the Plaintiff amended to delete "stuffed toys, action figures, other toys, and dolls" from the designated goods in Class 28 concerning the original application and filed a new application for trademark registration (the Application) by specifying goods in Class 28, which had been deleted as stated above, as designated goods concerning the Trademark in the Application (3D trademark), which is identical to the trademark in the original application, as a divisional application based on the original application.

The Plaintiff received an examiner's decision of refusal concerning the Application, and therefore, filed an appeal against the examiner's decision of refusal.

The Japan Patent Office (JPO) determined that the Trademark in the Application falls under Article 3, paragraph (1), item (iii) of the Trademark Act and then denied the application of paragraph (2) of said Article.

2. In this judgment, the court determined that the Trademark in the Application falls under Article 3, paragraph (1), item (iii) of the Trademark Act; however, there are errors in the JPO Decision that denied the application of paragraph (2) of said Article, and

rescinded the JPO Decision.

(1) In the industry handling the designated goods of the Application, there are circumstances where various goods comprised of 3D shapes of dinosaurs and monsters are manufactured and sold. Among these 3D shapes, there are shapes with no less distinctive and characteristic forms than the Features (features that the Plaintiff alleged as common features of the Godzilla characters in the "Godzilla" movie series). The Features related to the 3D shapes of the Trademark in the Application are not essentially different from the aforementioned characteristics generally seen in the world that 3D shapes of dinosaurs or monsters have, and it cannot be found that they exceed the scope of the shapes of goods related to designated goods.

Based on the above, the Trademark in the Application is selected only in the scope of fulfilling the functions or aesthetic impressions of the designated goods of the Application, "stuffed toys, action figures, other toys, and dolls," and falls under Article 3, paragraph (1), item (iii) of the Trademark Act.

(2) The Trademark in the Application corresponds to the 4th configuration of the monster "Godzilla" in the movie "Shin Godzilla" (2016) (in this movie, the Godzilla character changed its shape at several steps). Even if the direct target of "use" under Article 3, paragraph (2) of the Trademark Act is limited to the 3D shape of Shin Godzilla, when determining whether "consumers can recognize it as goods related to a business of a particular person" as a result of the use, it should not be hindered or it should rather be necessary to consider the impact on the recognitions of consumers exerted by all the movies in the "Godzilla" series leading to "Shin Godzilla."

A. When the movie "Shin Godzilla" was released in July 2016, it became a remarkable hit; the sales volume and sales amount of the goods in the 3D shape related to the Trademark in the Application alone were recorded as 1.02 million pieces and approximately 2.65 billion yen; and the Trademark in the Application was intensively used in the designated goods of the Application for approximately eight years until the JPO Decision was rendered.

B. The 3D shape of Shin Godzilla covers most of the basic shape of the previous Godzilla characters, including the fact that it has all the Features. In consideration of the following circumstances [i] through [v], it is easily found that the basic shape had been broadly recognized by general consumers, who are consumers of the designated goods of the Application, as a shape of a character provided by the Plaintiff since before the release of the movie "Shin Godzilla:" [i] the "Godzilla" movie series started in 1954, and a total of 30 new movies was released one after another for a long period of over 60 years; it achieved striking commercial success, such as total audience numbers

recorded as approximately 120 million, etc.; [ii] it is clearly indicated that these movies are "produced and distributed" by the Plaintiff on their advertisements, etc.; [iii] the sales amount of viodegrams of the "Godzilla" movie series and Godzilla's figure goods significantly exceeded 10 billion yen, respectively; [iv] there were many of the aforementioned figure goods sold by a third party company that received a license for commercialization from the Plaintiff; however, they are attached with an indication that the Plaintiff is the main body of commercialization; and [v] giant statues of Godzilla, which are symbolic monuments of the Plaintiff, are placed constantly in multiple facilities in Tokyo, including busy commercial facilities.

C. The character trademark "ゴジラ (Godzilla)" has become prominent as the title of movies related to the Plaintiff or as the name of the monster that appears in said movies. In the "Godzilla" series, including "Shin Godzilla," the name "Godzilla" is consistently used for a monster character in the movies.

D. In the questionnaire conducted in September 2021 with men and women from ages 15 to 69 throughout Japan, among respondents to the open-ended question asked by being shown pictures of the 3D shape of the Trademark in the Application "What do you think is the model for this figure?," those who replied "Godzilla" or "Shin Godzilla" accounted for 64.4%, showing an extremely high recognition. The results of the answers show the prominence of the 3D shape of Shin Godzilla among consumers (general consumers) of the designated goods of the Application.

E. Considering A. through D. above together, it can be found that as a result of using the Trademark in the Application with the designated goods, consumers who are general consumers have come to recognize that the relevant goods are goods related to the business of the Plaintiff.

F. The Defendant alleged that the use period (sale period) of the goods in the 3D shape related to the Trademark in the Application is not "for a long period." However, the period of approximately eight years is considered to be a reasonable use period. Whether "consumers have come to recognize the goods as those related to the business of a particular person" should be determined not only by the use period, but also by comprehensively taking into consideration the sales volume of the goods, the scale of advertisement, and the topicality, etc. together. In this case, there are the special circumstances that goods of the Godzilla character for which the Plaintiff is the main body of commercialization were broadly and deeply disseminated among consumers since before the use of the Trademark in the Application and that the continuity of the goods is found with the 3D shape of the Trademark in the Application. Therefore, the Defendant's argument cannot be accepted.

The Defendant alleged that the goods in the 3D shape are sold not by the Plaintiff, but by licensees and the name of a manufacturer other than the Plaintiff is indicated on the goods in the 3D shape to which characters "Toho" are affixed. However, also in the case of the use by a person who received a license from the applicant, the mode of use of the trademark by a third party is appropriately managed by the applicant. If consumers can recognize that the relevant goods are the goods of the applicant, it should be construed to be included in the "use" as described in Article 3, paragraph (2) of the Trademark Act. The Plaintiff concluded a licensing agreement with licensees, conducts supervision, including the configuration of the goods in the 3D shape, and appropriately manages the use in a way to indicate that the origin of the figures, etc. is the Plaintiff.

Judgment rendered on October 30, 2024

2024 (Gyo-Ke) 10047 Case of seeking rescission of the JPO decision

Date of conclusion of oral argument: September 9, 2024

Judgment

Plaintiff: TOHO CO., LTD.

Defendant: Commissioner of the Japan Patent Office

Main text

1. The decision made by the Japan Patent Office (JPO) on March 29, 2024, concerning the case of Appeal against Examiner's Decision of Refusal No. 2021-11555 shall be rescinded.
2. The Defendant shall bear the court costs.

Facts and reasons

(In this judgment, the abbreviations listed in Attachment 1, "List of Abbreviations," will be used.)

No. 1 Claim

Same as the main text.

No. 2 Outline of the case

1. Outline of procedures at the JPO (There are no disputes between the parties.)
 - (1) On October 10, 2019, the Plaintiff filed the original application (Trademark Application No. 2019-131821) concerning a trademark (3D trademark) consisting of the structure indicated in Attachment 2, "Trademark in the Application," as specifying goods or services in Class 9, Class 16, Class 25, Class 28, and Class 41 as designated goods or services; however, the Plaintiff received a notice of grounds for refusal on August 21, 2020 to the effect that "When using the Trademark in the Application for Class 28 'stuffed toys, action figures, dolls, and other toys' from among its designated goods, it simply indicates the quality and shape of goods in a common manner," and therefore that it falls under Article 3, paragraph (1), item (iii) of the Trademark Act.
 - (2) On September 29, 2020, the Plaintiff [i] amended to delete "stuffed toys, action figures, other toys, and dolls" from the designated goods in Class 28 concerning the original application; and [ii] filed a new application for trademark registration (Trademark Application No. 2020-120003; the Application) by specifying Class 28 "stuffed toys, action figures, other toys, and dolls," which had been deleted as stated above, as designated goods concerning the Trademark in the Application (3D trademark), which is identical to the trademark in the original application, based on the

provisions of Article 10, paragraph (1) of the Trademark Act (Division of Applications for Trademark Registration).

The original application after the aforementioned amendment went through registration examination on October 9, 2020.

(3) The Plaintiff received an examiner's decision of refusal as of May 28, 2021 concerning the Application, and therefore, filed an appeal against the examiner's decision of refusal on August 30, 2021.

The JPO examined the appeal as a case of Appeal against Examiner's Decision of Refusal No. 2021-11555 and made the decision that "the examiner's decision of refusal is maintained" (hereinafter referred to as the "JPO Decision") on March 29, 2024. A certified copy of the decision was delivered to the Plaintiff on April 12, 2024.

(4) On May 10, 2024, the Plaintiff filed this lawsuit to seek rescission of the JPO Decision.

2. Summary of the grounds for the JPO Decision

The summary of the grounds for the JPO Decision is as follows.

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

If the shape of goods is within the scope where it can be estimated to be a shape selected for contributing to the functions or aesthetic impressions of the same kind of goods, etc. under restrictions based on the intended use, nature, etc. of the goods, it should be deemed to fall under Article 3, paragraph (1), item (iii) of the Trademark Act even if the shape has features.

In the industry where the designated goods of the Application are dealt in, goods in the shape of human beings, animals (including imaginary animals), and animated characters, etc. are generally sold, and goods made up of 3D shapes that are considered to form dinosaurs or imaginary animals are actually sold, in the same manner as the Trademark in the Application.

Even if the Trademark in the Application is used for the designated goods, it is reasonable for traders and consumers who come into contact with it to only recognize that it is one of the types of 3D shapes of goods that can be adopted as the features or quality of the goods and to determine that the Trademark in the Application only consists of a mark indicating simply the shape of goods in a common manner.

(2) Whether the Trademark in the Application falls under Article 3, paragraph (2) of the Trademark Act

The use (sale) period of "stuffed toys, action figures, other toys, and dolls" (goods in the 3D shape) that are considered to have imitated monsters, dinosaurs, or imaginary

animals using 3D shapes that have common features with the Trademark in the Application (shape in use) is approximately seven years, which is not long and includes the sales results of licensees. In the toy industry, whose market size is 824.4 billion yen (2020) and 890.0 billion yen (2021), the market share of the goods in the 3D shape cannot be said to be high.

It can be found that the goods in the 3D shape have been advertised on TV; however, it cannot be said that the 3D shape was advertised in a way to give the impression as being the Plaintiff's mark that distinguishes its goods from others, such as proactively referring to the 3D shape of the Trademark in the Application or its features, etc. In addition, no evidence has been submitted concerning the results of the advertisement (period, scale, advertising costs, etc.).

Concerning the questionnaire that the Plaintiff conducted (the "Questionnaire"), general consumers, who are the majority of respondents to the Questionnaire, did not recognize the shape in use; at the same time, the majority of respondents replied that the shape in use is a "figure that modeled 'Godzilla' or 'Shin Godzilla'" and replied "'I know' or 'I roughly know' to the question of whether they know the shape of Shin Godzilla or Godzilla"; however, there is no question on the relationship between the shape in use and the Plaintiff.

3. Grounds for rescission

(1) Error in the determination of whether the Trademark in the Application falls under Article 3, paragraph (1), item (iii) of the Trademark Act (Grounds for Rescission 1)

(2) Error in the determination of whether the Trademark in the Application falls under Article 3, paragraph (2) of the Trademark Act (Grounds for Rescission 2)

No. 4 Decision of this court

This court determined that there is no error in the part of the JPO Decision ruling that the Trademark in the Application falls under Article 3, paragraph (1), item (iii) of the Trademark Act based on the facts found in this case as stated in 1. below; however, the part of the JPO Decision that denied the application of paragraph (2) of said Article is erroneous, and therefore that the JPO Decision must be rescinded. A detailed explanation follows below.

1. Facts found in this case

According to the evidence listed below (documentary evidence number includes branch numbers unless otherwise noted) and the entire import of oral arguments, the following facts are found.

(1) "Godzilla" movie series (Exhibit Ko 52)

The Plaintiff produced and distributed the following 30 movies of the "Godzilla" series in Japan over 69 years from 1954 to 2023 (years indicate release years).

- 1954 "Godzilla" (1st movie)
- 1955 "Godzilla Raids Again" (2nd movie)
- 1962 "King Kong vs. Godzilla" (3rd movie)
- 1964 "Mothra vs. Godzilla" (4th movie)
- 1964 "Ghidorah, the Three-Headed Monster" (5th movie)
- 1965 "Invasion of Astro-Monster" (6th movie)
- 1966 "Ebirah, Horror of the Deep" (7th movie)
- 1967 "Son of Godzilla" (8th movie)
- 1968 "Destroy All Monsters" (9th movie)
- 1969 "All Monsters Attack" (10th movie)
- 1971 "Godzilla vs. Hedorah" (11th movie)
- 1972 "Godzilla vs. Gigan" (12th movie)
- 1973 "Godzilla vs. Megalon" (13th movie)
- 1974 "Godzilla vs. Mechagodzilla" (14th movie)
- 1975 "Terror of Mechagodzilla" (15th movie)
- 1984 "The Return of Godzilla" (16th movie)
- 1989 "Godzilla vs. Biollante" (17th movie)
- 1991 "Godzilla vs. King Ghidorah" (18th movie)
- 1992 "Godzilla vs. Mothra" (19th movie)
- 1993 "Godzilla vs. Mechagodzilla II" (20th movie)
- 1994 "Godzilla vs. SpaceGodzilla" (21st movie)
- 1995 "Godzilla vs. Destoroyah" (22nd movie)
- 1999 "Godzilla 2000: Millennium" (23rd movie)
- 2000 "Godzilla vs. Megaguirus" (24th movie)
- 2001 "Godzilla, Mothra and King Ghidorah: Giant Monsters All-Out Attack" (25th movie)
- 2002 "Godzilla Against Mechagodzilla" (26th movie)
- 2003 "Godzilla: Tokyo S.O.S." (27th movie)
- 2004 "Godzilla: Final Wars" (28th movie)
- 2016 "Shin Godzilla" (29th movie)
- 2023 "Godzilla Minus One" (30th movie)

(2) Shapes, etc. of the Godzilla character (Exhibits Ko 51, 62 to 69, 78 to 80; prosecutor's Exhibits Ko 1 to 3)

A. The first movie of this series, "Godzilla," was produced on the premise that, in an

era when nuclear-related mishaps caused by nuclear explosion tests near the Bikini Atoll became a social problem, a dinosaur sleeping deep on the nearby sea bottom was awoken and arrived in Japan as a "monster" that had acquired special abilities due to hydrogen bombs.

One of the characters in the movie, "Godzilla," almost had the shapes in [i] and [ii] in Attachment 3, "Figure Photographs 1."

It has all the features in question (the "Features") alleged by the Plaintiff as the features of its body shape, face, head, etc. In particular, it has thousands of rough folds like a rocky surface covering the entire body that form complex shades and they are significant features that remind us of the deep scars caused by mutations due to hydrogen bombs (Exhibit Ko 65) and they are prominent characteristics among the same kind of monster characters (Exhibits Ko 58, 76, etc.) along with its spiny dorsal fins that resemble holly leaves from back to tail, its angered face with sharp eyes, and its thick, raised eyebrows, etc.

B. In the second movie and after, the Godzilla character in this series of movies until the one prior to "Shin Godzilla" changes its shape little by little; however, the aforementioned basic shape is maintained, including the fact that all the Features are present. For example, Godzilla in "Godzilla vs. King Ghidorah" (18th movie) released in 1991 has almost all the shapes of [i] and [ii] in Attachment 4, "Figure Photographs 2," and Godzilla in "Godzilla: Final Wars" (28th movie) released in 2004 has almost all the shapes of [i] and [ii] in Attachment 5, "Figure Photographs 3," respectively.

C. The Godzilla character in the movie "Shin Godzilla" has its shape changed at several steps. The Trademark in the Application indicates a 3D shape of the 4th configuration, which is the main character of the movie (hereinafter the shape may be simply indicated as "3D shape of Shin Godzilla" in some cases).

The 3D shape of Shin Godzilla is different from that of the previous Godzilla characters mainly in its overall figure, such as a smaller head, significantly thinner forelegs (forearms), and a thicker and longer tail, etc. In addition, the difference that a reddish color is added mainly in the part from back to tail can be seen. However, its basic shape, including the fact that all the Features are present, is mostly maintained.

The person in charge of the design stated that a "back-to-the-roots design" was adopted in the movie "Shin Godzilla" (Exhibits Ko 7-9 and 7-12).

(3) Commercial success of the "Godzilla" series (Exhibits Ko 52, 53, and 77)

(The facts from the perspective of a process establishing the Godzilla character in an entire series of movies, including "Shin Godzilla," are shown here. The facts focused on "Shin Godzilla" are stated separately in (4) below.)

A. The "Godzilla" movie series that started in 1954 adopted a technique called special effects that produce powerful and aesthetic reality using stuffed dolls (or costumes) worn by a human being and miniature movie sets, such as streets with buildings, etc., and the series gained national popularity as a pioneer of "special effects films." The audience numbers for the first movie, "Godzilla," reached 9.61 million and several million for many of the movies in this series. The total of the audience numbers for all 30 movies reached approximately 120 million as of June 2024.

In advertisements, etc. for these movies, it was clearly stated that the movie was "produced and distributed" by the Plaintiff and the movies are screened in movie theaters related to "TOHO" (see Exhibit Ko 67 for the advertisement for the first movie).

B. The total sales volume of videograms of the "Godzilla" movie series up to July 2019 (excluding rentals) is approximately 1.8 million pieces in total and the sales amount (wholesale price) is approximately 16.1 billion yen. In addition, the sales volume of videograms of the "Godzilla" movie series from January to May in 2020 (excluding rentals) is approximately 446,000 pieces in total and the Plaintiff's sales amount (wholesale price) reached approximately 1.4 billion yen. The total sum of issuances of magazines related to all 65 volumes in the "Godzilla" series of the "Toho Special Effects Movie DVD Collection" that come with the DVDs reached approximately 2.8 million.

C. The Plaintiff has licensed the commercialization of the Godzilla character to many companies. Sales volumes and sales amounts (based on the sales price) of Godzilla figures in all movies of the "Godzilla" series in March 2016 and after reached approximately 5.51 million pieces and approximately 11.08 billion yen, respectively (Exhibit Ko 53). When granting a license for commercialization, the Plaintiff concludes a licensing agreement with a licensee under the following conditions: the specifications and design, etc. of goods must be supervised and approved by the Plaintiff; amendment or change of the use and design must be supervised by the Plaintiff anew; every single good and material for advertisement and sales promotion must have the Indication of the Copyright, etc. ("TM&©TOHO CO., LTD.") (as an example, Exhibit Ko 36). Said indication is attached to the body of mass-produced goods (on the bottom of feet or tail, etc.) (Exhibits Ko 78 to 80 and prosecutor's Exhibits Ko 1 to 3).

In addition, the "TOHO MONSTERS COLLECTION" magazines that come with parts of figures in the "Godzilla" series have also been sold and advertised on TV (Exhibit Ko 38) and websites (Exhibit Ko 39).

D. Giant statues of Godzilla, which are symbolic monuments of the Plaintiff, have been placed constantly in facilities related to the Plaintiff, which are prominent for the general public, such as [i] the one that was placed in front of Hibiya Chanter in 1995

and then relocated to the lobby of TOHO Cinemas Hibiya (approximately 1.81 million visitors in one year) in 2018; [ii] the one that was placed at TOHO Studios Co., Ltd. in Setagaya-ku, Tokyo in 2007; [iii] a giant Godzilla head placed on the roof of Shinjuku Toho Building in 2005, which caused a stir, etc. (Exhibit Ko 54).

E. When the Plaintiff conducted searches using the National Diet Library search keyword, "Godzilla," and with the book title, "Godzilla," 1,469 search results were found as of May 31, 2024. Many books in which photographs of the Godzilla character are printed are included in these books (Exhibit Ko 56).

(4) Movie "Shin Godzilla" (Exhibits Ko 5 to 7)

A. The movie "Shin Godzilla" was released on July 29, 2016, as a political group drama with an approach different from that for former movies targeting families and children, under Director B and with famous cast members, including C, D, and E. A full-page advertisement was placed in newspapers (Exhibit Ko 6), and the movie trailer was viewed almost 5 million times on the official website of the Plaintiff (Exhibit Ko 2).

As a result, the movie was a record hit with an audience of 5.69 million viewers and box-office revenue of 8.25 billion yen (first place in the Japanese live-action film section and 22nd place in the history of Japanese movies), and "Shin Godzilla" was nominated as a candidate for the grand prize in the buzzwords contest of 2016.

B. The movie was televised by terrestrial broadcast (TV Asahi) for the first time on November 12, 2017 and achieved a high viewer rating of 15.2%. Since then and up to today, it has been televised by terrestrial broadcast, BS broadcast, and CS broadcast, repetitively (Exhibit Ko 55). Along with the aforementioned first terrestrial broadcast, TV Asahi conducted a popularity poll of monsters in the Godzilla series and broadcast the results in the special program "Godzilla General Election 2017." In the article introducing the special program, it was introduced as "the 'Godzilla' movie series that every Japanese person knows" (Exhibit Ko 9-7).

C. The "Shin Godzilla" movie has been viewed widely through various forms of distribution services, including subscription services, transactional video on demand (TVOD), electronic sell through (EST), etc. (Exhibit Ko 55). In addition, the models of the Godzilla that appears in the movies were exhibited in public sites, such as Mainichi Broadcasting System's Headquarters, Parco (department store), JR station, etc., or actual stores of the Plaintiff for advertisement of the movie (Exhibits Ko 24 and 25).

(5) Status of the goods in the 3D shape related to the Trademark in the Application

A. Character goods in the 3D shape of Shin Godzilla (meaning the goods in the 3D shape related to the Trademark in the Application) were sold by the Plaintiff or multiple companies that received licenses from the Plaintiff, and the sales volume and sales

amount (based on the sale price) from 2016 to 2024 were approximately 1.02 million pieces and approximately 2.65 billion yen, respectively (Exhibits Ko 53 and 77).

The goods in the 3D shape are directly sold through manufacturers' websites and also through online shopping sites or toy stores developed throughout Japan, or are sometimes sold in nationally famous exhibitions and sales. Among these goods, there are also the goods in the 3D shape that belong to series titled "Toho 30cm Series" and "Toho Daikaiju Series" (Exhibits Ko 1, 15, 16, and 17-1 to 17-9, and Exhibits Ko 21, 26 to 32, and 35).

B. The aforementioned goods in the 3D shape include replica figures of the model used in the movie "Shin Godzilla" that are sold on orders at prices as high as 100,000 yen. It is not clear whether the Indication of the Copyright, etc., which is attached to mass-produced products, is attached; however, at least, an indication equivalent to the Indication of the Copyright, etc. is attached to goods sold at online shopping sites (Exhibits Ko 1-4 and 1-5).

C. Photographs of the goods in the 3D shape were introduced in advertisements and articles in general information magazines, movie magazines, general entertainment magazines, and figure magazines, in addition to theater leaflets for "Shin Godzilla." The number of issues of theater leaflets was 436,387 and that of magazines was 5,000 to 200,000 (Exhibits Ko 19 to 21).

In addition, parts of the goods in the 3D shape came with Volume 3 to Volume 7 of the magazine "TOHO MONSTERS COLLECTION" indicated in (3) C. above. If consumers purchase all these volumes, the goods in the 3D shape can be assembled and completed with those parts (Exhibit Ko 39).

(6) Character trademark of "Godzilla"

A third party who has no relationship with the Plaintiff registered a character trademark "ゴジラ" or other character trademarks similar thereto ("ゴジラ/GODZILLA," "GUZZILLA/ガジラ"). In multiple trials for invalidation filed by the Plaintiff, the JPO determined that the "characters 'ゴジラ' are prominent as the title of the movies related to the Plaintiff and as the name of the monster that appears in said movies" and accepted the requests for trials for invalidation by applying Article 4, paragraph (1), item (xv) of the Trademark Act ([i] Invalidation Trial No. 2001-35302, trial decision on July 10, 2002, Exhibit Ko 72; [ii] Invalidation Trial No. 2019-890045, trial decision on December 16, 2019, Exhibit Ko 73). In addition, there are examples of examiner's decisions of refusal to the same effect (Exhibits Ko 74 and 75).

(7) The Questionnaire

A. The Plaintiff conducted the Questionnaire (Exhibits Ko 22 and 23) with 1,000

samples of valid respondents on September 2 and 3, 2021, while setting the survey target area to be the entirety of Japan and the survey targets to be men and women from ages 15 to 69.

The survey method was as follows: respondents were shown photographs of the Trademark in the Application, asked the following four questions, and replied to them: (Question 1) Have you seen the 3D shape in the photograph?; (Question 2) What do you think is the model for this figure, the 3D shape shown in the photograph in Question 1?; (Question 3) What criteria are most important to you when you purchase a figure?; and (Question 4) Do you know the appearance and shape of Shin Godzilla and Godzilla?

B. According to the Questionnaire, under Question 2, which is an open-ended question, respondents who replied "Godzilla" or "Shin Godzilla" accounted for 64.4%, and, in particular, 70.8% among men. In addition, in Question 4, which is a closed question, respondents who selected Answer 1, "As I watched the movie (including TV broadcasts, DVD, distribution), I know the appearance and shape," accounted for 35.4%, and respondents who selected Answer 2, "I have not watched the movie; however, I have seen them in magazines, commercials, or websites, so I mostly know the appearance and shape," accounted for 21.3%.

2. Grounds for Rescission 1 (Error in the determination of whether the Trademark in the Application falls under Article 3, paragraph (1), item (iii) of the Trademark Act)

(1) Article 3, paragraph (1), item (iii) of the Trademark Act stipulates that "the trademark consists solely of a mark indicating, in a common manner, in case of goods, the place of origin, place of sale, quality, raw materials, efficacy, intended purpose, shape (including shape of packaging; ...), the method or time of production or use or other characteristics, quantity, price, or, in the case of services, the location of service, quality, items to be used, efficacy, intended purpose, mode, method or time of service or other characteristics, quantity or price of service" may not be registered. This provision stipulates that marks listed in said item are marks that express and indicate the place of origin, place of sale, shape, or other characteristics of goods and everyone desires to use the marks as indications necessary for transactions, and therefore that it is not appropriate in terms of public interests to approve exclusive use of such marks by any particular person; and that they are marks that are generally used and, in many cases, they lack the ability to serve as a source identifier for goods or services, and therefore that they are not allowed to be registered.

The shapes of goods are selected to fulfill the functions of the goods more effectively and to increase their aesthetic impressions. Therefore, a trademark

comprised of the shape of goods remains within the scope of the shape of goods, etc. unless there are special circumstances, such as that the shape exceeds the scope where consumers can foresee that the relevant shape would be selected on the grounds of their functions or aesthetic impressions, etc., and it is construed that such trademark falls under Article 3, paragraph (1), item (iii) of the Trademark Act as a trademark consisting solely of a mark indicating the shape of goods in a common manner.

(2) When applying the aforementioned understanding to this case, the Trademark in the Application indicates the 3D shape of Shin Godzilla and has all the Features alleged by the Plaintiff (1. (2) C. above).

However, in the industry handling the designated goods of the Application, there are circumstances where various goods comprised of 3D shapes of dinosaurs and monsters (imaginary animals in the motif of dinosaurs, etc.) are manufactured and sold (Exhibits Otsu 1 to 23, and 50 to 55). Among these 3D shapes, there are shapes with no less distinctive and characteristic forms than the aforementioned characteristics of the shape of the Trademark in the Application (for example, a long neck and accordion patterns on the body surface of "Red King" in Exhibit Otsu 1; a streamlined, hornlike projection that protrudes forward from the head on "Black King" in Exhibit Otsu 2; exaggerated toes on the hind legs of "Jurassic World T-Rex" in Exhibit Otsu 9, etc.). Even if these shapes have distinctive characteristics, it is construed that they are selected on the grounds of functions or aesthetic impressions as "stuffed toys, action figures, other toys, and dolls." In other words, they are recognized as being adopted only as shapes of goods related to dinosaurs or monsters.

The Features related to the 3D shape of the Trademark in the Application are not essentially different from the aforementioned characteristics generally seen in the world that 3D shapes of dinosaurs or monsters have, and it cannot be found that they exceed the scope of the shapes of goods related to designated goods.

Based on the above, the Trademark in the Application is selected only in the scope of fulfilling the functions or aesthetic impressions of the designated goods of the Application, "stuffed toys, action figures, other toys, and dolls," and falls under Article 3, paragraph (1), item (iii) of the Trademark Act.

(3) The Plaintiff alleged that there are no other dinosaurs and imaginary animals that may be confused with the Godzilla character and that, even if the registration of the Trademark in the Application is approved, the use of other goods, such as dinosaurs and imaginary animals, etc., will not be hindered. However, if there are no goods for dinosaurs or imaginary animals having a shape the same as the 3D shape related to the Trademark in the Application at present, it does not directly serve as the grounds for

not causing the adverse effects of exclusive use.

In addition, the Plaintiff alleged that general consumers who see the 3D shape of the Trademark in the Application equipped with the Features will easily recognize it to be the Plaintiff's Godzilla character and can distinguish it from other dinosaurs or imaginary animals, and therefore that the 3D shape of the Trademark in the Application has the function of distinguishing one's goods from others. It is reasonable to examine this point as a problem of whether it falls under Article 3, paragraph (2) of the Trademark Act, such as whether the 3D shape of the Trademark in the Application came to acquire the function of distinguishing one's goods from others through its use.

(4) Based on the above, the Trademark in the Application falls under Article 3, paragraph (1), item (iii) of the Trademark Act, and Grounds for Rescission 1 are groundless.

3. Grounds for Rescission 2 (Error in the determination of whether the Trademark in the Application falls under Article 3, paragraph (2) of the Trademark Act)

(1) The Plaintiff alleged that, as a result of the use of the Godzilla characters for a long period since 1954, the shape of the Trademark in the Application has become prominent as an indication of the origin of the Plaintiff. On the other hand, the Defendant alleged that the 3D shapes of the Godzilla characters other than Godzilla that appeared in the movie "Shin Godzilla" (the 4th configuration) cannot be considered to be the same as the 3D shape of the Trademark in the Application. Therefore, when determining whether it falls under Article 3, paragraph (2) of the Trademark Act, it is first necessary to define the scope of the goods that are considered to have used the Trademark in the Application.

Considering this point, as found in 1. (2) C. above, the 3D shape of Shin Godzilla is different from that of the previous Godzilla characters mainly in its overall figure, such as a smaller head, significantly thinner forelegs (forearms), and a thicker and longer tail, etc. In addition, the difference that a reddish color is added mainly in the part from back to tail can be seen. As alleged by the Defendant, it is not reasonable to find that both characters are identical (substantively identical).

However, even if the direct target of "use" under Article 3, paragraph (2) of the Trademark Act is limited to the 3D shape of Shin Godzilla, when determining whether "consumers can recognize it as goods related to a business of a particular person" as a result of the use, it should not be hindered or it should rather be necessary to consider the impact on the recognitions of consumers exerted by all the movies in the "Godzilla" series leading to "Shin Godzilla."

(2) The decision will be made in accordance with the aforementioned framework.

A. First, the following facts are found: when the movie "Shin Godzilla" was released in

July 2016, it became a remarkable hit, earning box-office revenue that was ranked in 22nd place in the history of Japanese movies; the sales volume and sales amount of the goods in the 3D shape related to the Trademark in the Application alone were recorded as 1.02 million pieces and approximately 2.65 billion yen (1. (5) A. above); and the Trademark in the Application was intensively used in the designated goods of the Application for approximately eight years until the JPO Decision was rendered.

B. In addition, the 3D shape of Shin Godzilla covers most of the basic shape of the previous Godzilla characters, including the fact that it has all the Features. It is easily found that the basic shape had been broadly recognized by general consumers, who are consumers of the designated goods of the Application, as a shape of a character provided by the Plaintiff since before the release of the movie "Shin Godzilla."

Therefore, the following facts are found as found in 1. above: [i] the "Godzilla" movie series started in 1954, and a total of 30 new movies was released one after another for a long period of over 60 years; it achieved striking commercial success, such as total audience numbers recorded as approximately 120 million, etc.; [ii] it is clearly indicated that these movies are "produced and distributed" by the Plaintiff on their advertisements, etc.; [iii] the sales amount of viodegrams of the "Godzilla" movie series and Godzilla's figure goods during said period significantly exceeded 10 billion yen, respectively; [iv] there were many of the aforementioned figure goods sold by a third party company that received a license for commercialization from the Plaintiff; however, they are attached with the Indication of the Copyright, etc. indicating that the Plaintiff is the main body of commercialization; and [v] giant statues of Godzilla, which are symbolic monuments of the Plaintiff, are placed constantly in multiple facilities in Tokyo, including busy commercial facilities.

C. In addition, the character trademark "ゴジラ (Godzilla)" has become prominent as the title of movies related to the Plaintiff or as the name of the monster that appears in said movies (1. (6) above, obvious facts to the court). In the "Godzilla" series, including "Shin Godzilla," the name "Godzilla" is consistently used for a monster character in the movies.

D. Consumers of the designated goods of the Application are considered to be general consumers. In terms of recognition of such consumers, in the questionnaire conducted in September 2021 with men and women from ages 15 to 69 throughout Japan, among respondents to the open-ended question asked by being shown pictures of the 3D shape of the Trademark in the Application "What do you think is the model for this figure?," those who replied "Godzilla" or "Shin Godzilla" accounted for 64.4%, showing an extremely high level of recognition (1. (7) above). There were no special problems with

the selection of respondents and questioning methods, etc. for this survey and the results of the answers show the prominence of the 3D shape of Shin Godzilla.

E. Considering the above together, it can be found that as a result of using the Trademark in the Application with the designated goods, consumers who are general consumers have come to recognize that the relevant goods are goods related to the business of the Plaintiff.

(3) Allegation of the Defendant

A. The Defendant alleged that the use period (sale period) of the goods in the 3D shape related to the Trademark in the Application is not "for a long period." However, it is found that the Plaintiff used the Trademark in the Application with the designated goods continuously for approximately eight years from around 2016, when the movie "Shin Godzilla" was released, until the JPO Decision was rendered (1. (5) above). This is considered to be a reasonable use period.

Moreover, the "use" set forth in Article 3, paragraph (2) of the Trademark Act does not require a use "for a long period." Whether "consumers have come to recognize the goods as those related to the business of a particular person" should be determined not only by the use period, but also by comprehensively taking into consideration the sales volume of the goods, the scale of advertisement, and the topicality, etc. together. In addition, in this case, there are the special circumstances that goods of the Godzilla character for which the Plaintiff is the main body of commercialization were broadly and deeply disseminated among consumers since before the use of the Trademark in the Application and that the continuity of the goods is found with the 3D shape of the Trademark in the Application.

Taking these points into account, the aforementioned use period of the Trademark in the Application is not found to be "for a long period," but it does not have an impact on the aforementioned determination as to the applicability of said paragraph.

B. The Defendant alleged that the sales results of the goods in the 3D shape alleged by the Plaintiff have no objective evidence to support the results and that, even if it is true, the size of the sales results in the industry handling the designated goods of the Application cannot be confirmed. However, according to Exhibits Ko 53 and 77, the aforementioned sales results are found to be created based on reliable internal data of the Plaintiff and no unreasonable points have been found. In addition, as indicated in the JPO Decision, if the Defendant questions the occupancy rate of the goods in the 3D shape in the "entire toy industry," this will lead to an argument based on too large of a denominator by ignoring the actual status of the toy industry with extremely varied fields, and it cannot be accepted.

Moreover, the Defendant alleged as follows: The goods in the 3D shape are sold not by the Plaintiff, but by licensees; the name of a manufacturer other than the Plaintiff is indicated on the goods in the 3D shape to which characters "Toho" are affixed; and the Indication of the Copyright, etc. on the main body of the goods in the 3D shape is a small indication in an obscure position on the back of the foot of the main body and does not attract consumer attention. However, also in the case of the use by a person who received a license from the applicant, the mode of use of the trademark by a third party is appropriately managed by the applicant. If consumers can recognize that the relevant goods are the goods of the applicant, it should be construed to be included in the "use" as described in Article 3, paragraph (2) of the Trademark Act. The Plaintiff concluded a licensing agreement with licensees as stated in 1. (3) C. above, conducts supervision, including the configuration of the goods in the 3D shape, and appropriately manages the use in a way to indicate that the origin of the figures, etc. is the Plaintiff. It can be understood without special difficulty that the Indication of the Copyright, etc. indicates that the goods are manufactured based on the Plaintiff's license.

C. In addition to the above, the Defendant argued against the Plaintiff's every allegation and evidence as follows: the types of magazines in which the goods in the 3D shape were posted are few in number; the books and visitors to exhibitions and sales are limited; statues of Godzilla are constantly placed only in four locations in Tokyo; the Questionnaire has no questions about the relationship between the 3D shape of the Trademark in the Application and the Plaintiff, etc. However, they are small matters compared with the overwhelming recognition of the Godzilla characters and have no impact on the determination in (2) above.

4. Conclusion

Based on the above, there are errors in the part of the JPO Decision where the JPO determined that the Trademark in the Application does not fall under Article 3, paragraph (2) of the Trademark Act, and there are grounds for the claim of the Plaintiff. Consequently, the JPO Decision shall be rescinded and the judgment is rendered as indicated in the main text.

Intellectual Property High Court, Fourth Division

Presiding judge: MIYASAKA Masatoshi

Judge: MOTOYOSHI Hiroyuki

Judge: IWAI Naoyuki

Attachment 1: List of Abbreviations

(Abbreviation) (Definition)

- Trademark in the Application: 3D trademark comprised of the structure of Attachment 2, "Trademark in the Application"
- Original application: Application for trademark registration in No. 2, 1. (1) in the main text that was filed by the Plaintiff on October 10, 2019
- Application: Application for trademark registration in No. 2, 1. (2) in the main text that was filed by the Plaintiff on September 29, 2020 as a divisional application based on the original application
- Goods in the 3D shape: Concerning the designated goods of the Application (stuffed toys, action figures, other toys, and dolls), goods that are found to have used the 3D shape of the Trademark in the Application
- Questionnaire: "Online questionnaire survey on the recognition status of Godzilla" that was conducted by the Plaintiff through entrustment to a company in September 2021 (Exhibits Ko 22 and 23)
- Features: Features that the Plaintiff alleged in No. 3, 1. [Plaintiff's allegation] (3) as common features of the Godzilla characters in the "Godzilla" movie series
- Indication of the Copyright, etc.: Indication of "TM&©TOHO CO., LTD." that is used with the goods of the Godzilla character

Attachment 2: Trademark in the Application









Attachment 3: Figure Photographs 1

[i]



[ii]



Attachment 4: Figure Photographs 2

[i]



[ii]



Attachment 5: Figure Photographs 3

[i]



[ii]

