

Date	September 15, 2011	Court	Osaka District Court, 21st Civil Division
Case number	2010 (Wa) 9966		
<p>– A case in which the court examined the plaintiff's claims, made based on the plaintiff's design right for a manicure nail file, for an injunction against the sale, etc. of the defendants' goods, disposal of the defendants' goods and the molds thereof, and payment of damages, and partially accepted the plaintiff's claims.</p>			

The plaintiff, which holds a design right (the "Design Right") for the design of a manicure nail file (the "Design"), alleged against the defendants that the defendants' act of selling or otherwise handling the nail file constitutes infringement of the Design Right and sought an injunction against the manufacturing, import, sale, etc. of the defendants' goods and demanded disposal of the defendants' goods and the molds thereof, and payment of damages.

The major issues in this court case are [i] whether the design of the defendants' goods is similar to the Design, and [ii] the amount of damage suffered by the plaintiff.

In this judgment, the court found that, since the overall design of a nail file could vary depending on the nature, purpose of use, and manner of use of the nail file, consumers will pay attention to the overall design of the nail file and that the basic structures, such as the D-shape design of the main body, the attachment of a file to the bottom surface, and the indented holding surface with a bump, were publicly known as of the time of the filing date of the Design. The court concluded that the essential features of the Design consist of the specific configurations of the main body: a bump, and a file. The court recognized similarity between the design of the defendants' goods and the Design by holding that, while the design of the defendants' goods is different from the Design in that the former is slightly smaller, has a ball chain, and has a clear border between a flat part and a bump, the common features between the two designs lie in their essential features and therefore that the impression from the common features outweighs the impression from the differences.

Regarding the amount of damage suffered by the plaintiff, the court examined the claim for payment of damages made under Article 39, paragraph (1) of the Design Act and took into consideration the facts that [i] the price of the defendants' goods is 100 yen, which is so low that people can purchase them without much thought, [ii] the defendants' goods are widely sold through the shops of the largest 100 yen-shop chain, [iii] there are similar goods in the market that compete with the defendants' goods, and [iv] some features that may not be seen in the Design have contributed to the sales of the defendants' goods, and found that these facts may be regarded as "any circumstances

exist under which the holder of the design right or the exclusive licensee would have been unable to sell the assigned quantity in whole or in part" specified in the proviso to said paragraph. In conclusion, the court recognized that one third of the assigned quantity of the defendants' goods may be considered to be equivalent to the goods that could not be sold by the plaintiff and calculated the amount of damage from the perspective of the lost marginal profit.

Regarding the plaintiff's claims for an injunction and disposal, the court found that the defendants were only involved in importing and selling the defendants' goods and were not involved in manufacturing them, and therefore dismissed the claims for an injunction against the manufacturing of the defendants' goods and for disposal of the molds.