

Date	August 26, 2010	Court	Osaka District Court, 26th Civil Division
Case number	2008 (Wa) 8761		
<p>– A case in which the court partially upheld the plaintiff's claims for an injunction against the manufacturing and sale of the defendant's product and disposal thereof as well as compensation for damages, which were made based on design rights pertaining to a measurement-point-indication plate and a measurement-point memory-tag-accommodating washer.</p>			

The plaintiff holds design rights for a design pertaining to a measurement-point-indication plate (the "Design of the Plaintiff's Plate") and for a design pertaining to a measurement-point memory-tag-accommodating washer (the "Design of the Plaintiff's Washer"). The plaintiff alleged that two kinds of measurement-point-indication plates (the "Defendant's Old Plate" and the "Defendant's New Plate") and two kinds of measurement-point memory-tag-accommodating washers (the "Defendant's Old Washer" and the "Defendant's New Washer"), all of which are manufactured and sold by the defendant, infringe the design rights for the Design of the Plaintiff's Plate and the Design of the Plaintiff's Washer, respectively. Based on this allegation, the plaintiff filed this action against the defendant to seek an injunction against the manufacturing and sale of the defendant's plates and the defendant's washers and disposal thereof as well as compensation for damages.

The issues of this case are, regarding all of the defendant's plates and washers, [i] whether the designs of the defendant's products are similar to the plaintiff's designs, [ii] whether there are grounds for invalidation of the design registrations of the plaintiff's designs (whether the Design of the Plaintiff's Plate lacks novelty or would have been easily created by a person ordinarily skilled in the art and whether the Design of the Plaintiff's Washer would have been easily created by a person ordinarily skilled in the art), and [iii] the amount of damages sustained by the plaintiff.

In this judgment, the court determined that the essential features of the Design of the Plaintiff's Plate are the shapes of the accommodating hole that hollows the plate nearly cylindrically by penetrating the upper and lower surfaces at a position adjacent to the outer periphery, of the vertical narrow slit part that leads from the accommodating hole provided by penetrating the upper and lower surfaces to the outer periphery, and of the upper surface of the accommodating hole. The court then ruled that although the design of the Defendant's Old Plate differs from the Design of the Plaintiff's Plate in the degree of diameter reduction of the accommodating hole and the shape consisting of the accommodating hole as well as in the slit part on the upper

surface side, the impression of common features between said designs overwhelms the impression of these differences. Based on this ruling, the court found similarity between said designs. On the other hand, regarding the design of the Defendant's New Plate, the court ruled as follows: The design of the Defendant's New Plate has distinctive constitutions (i.e., narrow grooves are provided on both sides of the slit part, and the slit part on the outer periphery is inverted-T shaped) as differences from the Design of the Plaintiff's Plate; therefore, the impression of these differences overwhelms the impression of common features between said designs. Based on this ruling, the court denied similarity between said designs. The court did not find any grounds for invalidation of the design registration of the Design of the Plaintiff's Plate.

Moreover, the court determined that the essential features of the Design of the Plaintiff's Washer are the shapes of the accommodating hole that hollows the washer nearly cylindrically by penetrating the center of the upper and lower surfaces, of the vertical narrow slit part that leads from one edge of the accommodating hole provided by penetrating the upper and lower surfaces to the outer side surface, of the upper surface of the accommodating hole, and of the groove on the outer side surface. The court then ruled that although the design of the Defendant's Old Washer differs from the Design of the Plaintiff's Washer in the degree of diameter reduction of the accommodating hole, the shape consisting of the accommodating hole and the slit part on the upper surface side, and the position of the groove on the outer side surface, the impression of common features between said designs overwhelms the impression of these differences. Based on this ruling, the court found similarity between said designs. On the other hand, regarding the design of the Defendant's New Washer, which has the same differences as that of the Defendant's New Plate, the court ruled that the impression of the differences overwhelms the impression of common features, and denied similarity between said design and the Design of the Plaintiff's Washer in the same manner as in the case of the Defendant's New Plate. The court did not find any grounds for invalidation of the design registration of the Design of the Plaintiff's Washer.

Regarding damages sustained by the plaintiff, the court ruled that although business operators installing such plates and washers, which are consumers of the plaintiff's product and the defendant's product, are not considered to be conducting transactions while placing the emphasis on design, design is one of the major differences that distinguish companies' products, and its effect on sales is undeniable. Based on this ruling, the court found the amount calculated by multiplying marginal profit by a contribution ratio of 20% to be the amount of damages sustained by the

plaintiff.