

Trademark Right	Date	December 26, 2019	Court	Intellectual Property High Court, Fourth Division
	Case number	2019 (Gyo-Ke) 10104		
- A case in which the court determined that the Applied Trademark consisting of a figure of a cow and the letters, "EMPIRE" and "STEAK HOUSE" is similar to a registered trademark consisting of the letters, "EMPIRE", in standard characters, and thus falls under Article 4, paragraph (1), item (xi) of the Trademark Act.				

Case type: Rescission of Appeal Decision of Refusal

Result: Dismissed

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

Number of related rights, etc.: Trademark Registration No. 5848647; Appeal against Examiner's Decision of Refusal No. 2018-650052

Summary of the Judgment

The present case is an action for rescission of the JPO decision which held that the Applied Trademark consisting of a figure of a cow and the letters, "EMPIRE" and "STEAK HOUSE" is similar to a registered trademark consisting of the letters, "EMPIRE", in standard characters (Trademark Registration No. 5848647; hereinafter referred to as "Cited Trademark"), and falls under Article 4, paragraph (1), item (xi) of the Trademark Act, and thus cannot be granted registration.

In the judgment of the present case, the court determined as follows, as outlined below, and dismissed the claim made by Plaintiff.

1. In the Applied Trademark, the constituent parts of the figure part of a cow and the letter parts of "EMPIRE" and "STEAK HOUSE" are positioned with certain spaces in-between so as not to create any overlap, and double red lines are drawn in-between the aforementioned letter parts, so that it is acknowledged that said constituent parts give the impression that each of them exists as an independent part on its own, and that they are visually recognizable as separate parts.

The appearance of the Applied Trademark is such that the letter part, "EMPIRE", has the feature that causes it to give a stronger impression than the figure part of a cow and the letter part, "STEAK HOUSE". On the other hand, it is acknowledged that the word, "steak house", is commonly used as a word representing a "restaurant specializing in steaks", and that, if the above word constitutes a part of the restaurant name of a "restaurant specializing in steaks", it is common for said restaurant name to be abbreviated by excluding the aforementioned word, so that the letter part of "STEAK HOUSE" has a weak

function as a mark identifying the source of its service from that of others. Furthermore, the figure part of a cow also has a weak function as a mark identifying the source of its service from that of others.

Accordingly, since it is acknowledged that the letter part of "EMPIRE" gives a strong and dominant impression as a mark identifying the source of goods or service, it should be said that it is permissible to extract the letter part, "EMPIRE", as an important part for comparison with the Cited Trademark to determine the similarity between the trademarks themselves.

2. When the letter part, "EMPIRE", which is the important part of the Trademark, is compared with the Cited Trademark, it is acknowledged that the two trademarks are similar on the whole.

Judgment rendered on December 26, 2019

2019 (Gyo-Ke) 10104 A case of seeking rescission of the JPO decision

Date of conclusion of oral argument: November 21, 2019

Judgment

Plaintiff: RJJ Restaurant LLC

Defendant: Commissioner of the JPO

Main text

1. Plaintiff's claim shall be dismissed.
2. Plaintiff shall bear the court costs.
3. The additional period for filing a final appeal and a petition for acceptance of final appeal against this judgment shall be 30 days.

Facts and reasons

No. 1 Claim

The decision made by the JPO on March 12, 2019 for Appeal against Examiner's Decision of Refusal No. 2018-650052 shall be rescinded.

No. 2 Outline of the case

1. History of JPO procedures, etc.

- (1) On May 2, 2017, Plaintiff filed an international trademark application (International Registration No. 1351134; hereinafter referred to as "Application") for the trademark having the constitution shown in the Attachment (hereinafter referred to as "Applied Trademark") with the designated services of "Restaurant services; Carry-out restaurant services; Catering services" in Class 43 (Exhibit Ko 24).
- (2) Plaintiff received an examiner's decision of refusal dated May 10, 2018, and on July 26 of the same year, filed a request for appeal against the examiner's decision of refusal.

The JPO examined the above request as Appeal against Examiner's Decision of Refusal No. 2018-650052 and made the decision that "The request for an appeal is dismissed" (hereinafter referred to as "JPO Decision") on March 12, 2019, and a certified copy of the decision was sent to Plaintiff on the 23rd of the same month.

(3) On July 19, 2019, Plaintiff filed the present action seeking rescission of the JPO Decision.

2. Summary of reasons for the JPO Decision

Reasons for the JPO Decision are as indicated on the attached Written Decision (copy).

In summary, reasons are such that the Applied Trademark cannot be granted registration because the Applied Trademark is similar to a registered trademark (Trademark Registration No. 5848647; application filed on December 8, 2015 and registration granted on May 13, 2016, with the designated services of "Providing temporary accommodation; Accommodation bureau [brokering reservations for hotels, boarding houses, or the like]; Providing foods and beverages such as grilled meat dishes and seafood" in Class 43; hereinafter referred to as "Cited Trademark"; Exhibit Ko 25, Exhibit Otsu 1) which consists of the letters, "EMPIRE", written in standard characters and whose application date for trademark registration is earlier than the date of the present application, and shares the same or similar designated services as those of the Cited Trademark, and thus the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act.

(omitted)

No. 4 Judgment of this court

1. Concerning the incorrect determination on the extraction of the important part of the Applied Trademark

(1) A composite mark in which multiple constituent parts are combined together is identified from other persons' trademarks based on the entirety of the constituent parts, so that, in principle, it is not permissible to extract a part of such constituent parts for comparison with other persons' trademarks to determine the similarity between the trademarks themselves. However, in actual business, if a trademark is not acknowledged as having its constituent parts combined together in such an inseparable manner that it seems unnatural in business to separate the constituent parts for observation, such trademark does not necessarily have to produce any pronunciation or concept by the entirety of the constituent parts at all times, and a pronunciation or a concept may be produced from a part of the trademark. Given the foregoing, if, for example, any of the constituent parts of a trademark is acknowledged to give a strong and dominant impression to traders and consumers as a mark identifying

the source of goods or service, or if none of the other constituent parts is acknowledged to give any pronunciation or concept as a mark identifying the source, it is reasonable to interpret that it is also permissible to extract a part of the constituent parts of a trademark as the important part for comparison with other persons' trademarks to determine the similarity between the trademarks themselves (refer to Supreme Court Judgment 1962 (O) 953 issued by First Petty Bench on December 5, 1963, Minshu Vol. 17, No. 12, p. 1621; Supreme Court Judgment 1991 (Gyo-Tsu) 103 issued by Second Petty Bench on September 10, 1993, Minshu Vol. 47, No. 7, page 5009; Supreme Court Judgment 2007 (Gyo-Hi) 223 issued by Second Petty Bench on September 8, 2008, Saibanshu Minji No. 228, page 561).

A. As per the Attachment, the Applied Trademark is a composite mark in which a figure showing the entire body of a golden cow, which faces toward the left, is placed at the top, and underneath said figure part, the alphabetic letters, "EMPIRE" and "STEAK HOUSE", are written horizontally in black, with the former on top and the latter on the bottom, and double red lines, which are of the same length as the letter parts, are drawn in between the top tier and the bottom tier of the letter parts.

In the Applied Trademark, the constituent parts, namely, the figure part of a cow, the letter part of "EMPIRE", and the letter part of "STEAK HOUSE", are positioned, with certain spaces in between so as not to create any overlap, and double red lines are drawn in between the aforementioned letter parts, so that it is acknowledged that said constituent parts give the impression that each of them exists as an independent part on its own, and that they are visually recognizable as separate parts.

B. The letter part, "EMPIRE", is shown at the center, where the letter part is easily observable, in a size that is larger than the size of the letter part, "STEAK HOUSE". The letter, "E", at the beginning and at the end of the letter part, "EMPIRE", is written in a size that is larger than the size of other letters so as to enclose the rest for emphasis, and the double red lines placed underneath the letter part, "EMPIRE", are such that they give the impression of serving as separator lines between the letter part, "EMPIRE", and the letter part, "STEAK HOUSE", as well as the impression that they serve as underlines drawn to emphasize the letter part, "EMPIRE". Given the foregoing, the appearance of the Applied Trademark is such that the letter part, "EMPIRE", has the feature that causes it to give a stronger

impression than the figure part of a cow and the letter part, "STEAK HOUSE".

Next, the word, "empire", which corresponds to the letter part, "EMPIRE", is known as a basic English word for the Japanese word of "帝国" ["empire" in Japanese] (Kenkyusha's New College English-Japanese Dictionary (7th Edition), Kojien (7th Edition), Daijirin 3rd Edition (Exhibit Ko 2)), and from among the constitution of the Applied Trademark, the letter part, "EMPIRE", produces the pronunciation of "エンパイア" ["empire" in Japanese].

- C. (A) From among the constitution of the Applied Trademark, the word, "steakhouse", which corresponds to the letter part of "STEAK HOUSE", is an English word meaning a "restaurant specializing in steaks" (Genius English-Japanese Dictionary, 5th Edition (Exhibit Otsu 2)) or "ステーキハウス" ["steakhouse" in Japanese] (Kenkyusha's New College English-Japanese Dictionary (7th Edition)).

Evidence (Exhibits Otsu 3 to 25, 30) shows the following: [i] In the industry for "restaurant services", the word, "steak house" or "steakhouse", is used as a word representing a "restaurant specializing in steaks", with examples being Wolfgang's Steakhouse (Exhibit Otsu 3), Benjamin Steak House (Exhibit Otsu 4), Morton's The Steakhouse (Exhibit Otsu 5), Ruth's Chris Steak House (Exhibit Otsu 6), Outback Steakhouse (Exhibit Otsu 7), Jack's Steak House (Exhibit Otsu 8), Steak House La Paysanne (Exhibit Otsu 9), Steak House Lion (Exhibit Otsu 10), Steak House Ushino Matsuzaka (Exhibit Otsu 11), Steak House US 6 (Exhibit Otsu 12), Steak House Joy Bull (Exhibit Otsu 13), and Steak House Ryuho (Exhibit Otsu 14), and the above restaurants are sometimes referred to by abbreviations, with examples being "Wolfgang" (Exhibit Otsu 15), "Benjamin" (Exhibit Otsu 15), "Morton's" (Exhibit Otsu 16), "Ruth Chris" (Exhibit Otsu 17), "Outback" (Exhibit Otsu 18), "Jackie" (Exhibit Otsu 19), "La Paysanne" (Exhibit Otsu 20), "Lion" (Exhibit Otsu 21), "Ushino Matsuzaka" (Exhibit Otsu 22), "US 6" (Exhibit Otsu 23), "Joy Bull" (Exhibit Otsu 24), and "Ryuho" (Exhibit Otsu 25); [ii] It is acknowledged that, according to Japan Standard Industry Classification (Ministry of Public Management, Home Affairs, Posts and Telecommunications; revised in October 2013 and enforced on April 1, 2014; Exhibit Otsu 30), a "steakhouse" is referred to and classified under "7629 Other specialty restaurants", which is a business

type for "eating and drinking services".

According to the above findings, it is acknowledged that the word, "steak house" or "steakhouse", is commonly used in Japan as a word representing a "restaurant specializing in steaks", and that, when the above word constitutes a part of the name of a "restaurant specializing in steaks", it is common for said restaurant name to be abbreviated by excluding the aforementioned word.

In that case, when the word, "steakhouse", is used for "restaurant services", from among the designated services for the present application, it is acknowledged that the word is commonly recognizable as a word representing a "restaurant specializing in steaks", which is a business type of "restaurants", so that it should be said that the letter part, "STEAK HOUSE", from among the constitution of the Applied Trademark, is weak as a function of a mark identifying the source of its service from that of others.

(B) In response, Plaintiff asserts the following: [i] The argument that the letters, "steakhouse", mean a "restaurant specializing in steaks" will not be denied, but the word is originally a coined word, and in Japan, the mainstream style of steaks is the teppanyaki [in which the meat is grilled on an iron griddle], and there are only a handful of "steakhouses", which refer to a business type in which beef is cooked on a grill plate or in a furnace, so that the letters, "steakhouse", are used only by a very limited number of restaurants; [ii] Even when the letters, "steakhouse", are used, for example in the case of the restaurant, The Steakhouse, in ANA Intercontinental Hotel Tokyo (Exhibits Ko 26, 27), said letters are used in combination with the word, "The", as a constituent of a coined word which, as a whole, indicates a specific restaurant name; and [iii] Of the 70 restaurants which are nominated under the category for steakhouses in ZAGAT (2012 New York Edition; Exhibit Ko 1), a US gourmet guide that is well-known worldwide, Plaintiff's Empire Steak House is the only restaurant that has the letters, "steakhouse", in its name. Based on the foregoing, among other reasons, Plaintiff asserts that the letters, "steakhouse", are not commonly used to represent a business type for "restaurant services".

However, concerning the point made in the above [i], it cannot be said, in light of the findings of the above (A), that only a handful of restaurants,

which are "restaurants specializing in steaks", use the letters, "steakhouse", in their names.

Furthermore, the facts according to the above [ii] and [iii] do not provide any basis for denying that the word, "steakhouse", is commonly used in Japan as a word representing a "restaurant specializing in steaks".

Accordingly, the above claim by Plaintiff cannot be accepted.

- D. As shown in the Attachment, the figure part of a cow from among the constitution of the Applied Trademark is positioned in the upper tier of the Applied Trademark, and its area is the same size as that of the letter parts, "EMPIRE" and "STEAK HOUSE", in the lower tier, and the gold color of the figure contrasts with the above letter parts, which are written in black.

On the other hand, it cannot be said that the above figure part of a cow is such that a specific and symbolic condition or a specific character can be observed therefrom, and furthermore, in a restaurant business or the like, it is a commonly applied method to show a figure that depicts a dish served there or some foodstuff in a signboard or an advertisement, so that at a steakhouse and any other restaurant that serves dishes related to beef, a figure that depicts the entire or a part of a cow, which is the foodstuff, is widely and generally used (Exhibits Otsu 31 to 40). Given the foregoing, it is acknowledged that consumers coming into contact with the Applied Trademark receive the impression that the above figure part of a cow is, in combination with the letter part, "STEAK HOUSE", a figure that depicts a cow, which is the foodstuff served at a "steakhouse" (a restaurant specializing in steaks).

In that case, it should be said that the figure part of a cow, from among the constitution of the Applied Trademark, is weak as a function of a mark identifying the source of its service from that of others, in its relationship with "restaurant services" from among the designated services for the present application.

- E. As per the findings of the above A, it is acknowledged that, in the Applied Trademark, the constituent parts of the figure part of a cow and the letter parts of "EMPIRE" and "STEAK HOUSE" give the impression that each of them is independent on its own in appearance, and that they are visually recognizable as separate parts, so that it cannot be acknowledged that the above constituent parts are joined together in such an inseparable manner that it seems unnatural in business to separate the constituent parts

for observation.

Next, as per the findings of the above B to D, in the constitution of the Applied Trademark, the letter part, "EMPIRE", which is positioned at the center, where the letter part is easily observable, has the feature that causes it to give a stronger impression in appearance than the figure part of a cow and the letter part, "STEAK HOUSE". Furthermore, the letter part, "EMPIRE", produces the pronunciation of "エンパイア" ["empire" in Japanese] and the concept of an "empire". On the other hand, the letter part, "STEAK HOUSE", and the figure part of a cow have a weak function as a mark identifying the source of its service from that of others, in their relationship with "restaurant services" from among the designated services for the present application. Given the foregoing, it is acknowledged that the Applied Trademark gives a strong and dominant impression to traders and consumers as a mark identifying the source of goods or service, so that it should be said that it is permissible to extract the letter part, "EMPIRE", from the Applied Trademark as the important part for comparison with the Cited Trademark to determine the similarity between the trademarks themselves.

The JPO Decision, whose purport is the same as indicated above, is correct.

- (2) In response, Plaintiff asserts the following: In the Applied Trademark, the letter parts of "EMPIRE" and "STEAK HOUSE" are used for identification by the entirety of "EMPIRE STEAK HOUSE", which constitute a restaurant name as a coined word, and produce the concept of a "steakhouse in an empire" or a "steakhouse from (the time of) an empire", thereby illustrating a high-end and exceptional steakhouse, so that, given that it is unnatural in business to separate the letter part of "EMPIRE" from the Applied Trademark for observation, the letter part of "EMPIRE" cannot be extracted from the Applied Trademark as the important part, and thus it is not permissible to compare the letter part of "EMPIRE" with the Cited Trademark to determine similarity between the trademarks themselves.

However, as per the findings of the above (1) C, the word, "steak house" or "steakhouse", is commonly used in Japan as a word representing a "restaurant specializing in steaks", and if the above word constitutes a part of the name of a "restaurant specializing in steaks", it is common for said restaurant name to be abbreviated by excluding the aforementioned word. Given the foregoing,

it cannot be acknowledged that in the Applied Trademark, the letter parts of "EMPIRE" and "STEAK HOUSE" are such that they are used for identification by the entirety of "EMPIRE STEAK HOUSE", which constitute a restaurant name as a coined word, so that the above claim by Plaintiff is groundless in its precondition.

2. Concerning the incorrect determination on the similarity between the Applied Trademark and the Cited Trademark

- (1) On the premise of the findings of the above (1), if the letter part, "EMPIRE", which is the important part of the Applied Trademark, is compared with the Cited Trademark, the Cited Trademark consists of standard characters of "EMPIRE" whereas in the Applied Trademark, the letter, "E", at the beginning and the end of the letter part, "EMPIRE", is written in a size that is larger than the size of other letters so as to enclose the rest for emphasis. Regarding this point, while it cannot be said that the two trademarks are the same in appearance, it can be said that they are confusingly similar, and the letter parts of "EMPIRE" in the Applied Trademark and the Cited Trademark are the same in pronunciation and concept in terms of producing the pronunciation of "エンパイア" ["empire" in Japanese] and the concept of an "empire". Furthermore, the letter part of "STEAK HOUSE" and the figure part of a cow have a weak function as a mark identifying the source of its service from that of others, in their relationship with "restaurant services" from among the designated services for the present application. Given the foregoing, even by taking into consideration the difference between the appearance of the entirety of the Applied Trademark and the appearance of the Cited Trademark, if both trademarks are used for the same or similar services as the aforementioned services, it is acknowledged that there is likelihood of creating misunderstanding or confusion as to the source of the services, so that it is acknowledged that the two trademarks are similar on the whole.

Accordingly, the Applied Trademark is similar to the Cited Trademark.

- (2) In response, Plaintiff asserts the following: [i] Plaintiff's restaurant, Empire Steak House, is a well-known restaurant which was founded in 2010 in New York, US, and at the time when an application for registration of the Cited Trademark was filed, Plaintiff was operating the restaurant at two locations in New York, and was recording sales in the amount of eight million US Dollars per year, and had acquired unchallenged name recognition by being featured in well-known media such as The Wall Street Journal, New York Post, ABC

News, and CBS New York, and all throughout that time, Plaintiff was identified by the entirety of the letters, "EMPIRE STEAK HOUSE", and never by "EMPIRE"; [ii] The restaurant, Empire Steak House, which Plaintiff opened on October 17, 2017 in Roppongi, Tokyo, drew a lot of attention and was featured in various online articles (Exhibits Ko 7 to 21), and in the articles, the restaurant was never referred to by the names of "Empire" and "エンパイア" ["Empire" in Japanese], but was referred to by the names of "Empire Steak House" and "エンパイアステーキハウス" ["Empire Steak House" in Japanese]. Furthermore, the above restaurant being a high-end and inaccessible place where the sales per customer is over 10,000 yen, customers never drop in unannounced, but instead, they conduct a search on the place in advance and make a reservation before coming to the place, and under such circumstances of business, no one would misunderstand the name of the above restaurant to be "Empire" or "エンパイア" ["Empire" in Japanese]. Given such realities of business, there is no likelihood, in the case where the Applied Trademark and the Cited Trademark are used for the same or similar service, that confusion as to the source of the service concerned would be produced.

However, the point made in the above [i] describes the circumstances concerning Plaintiff's restaurant which is located in the US, and they do not reflect the realities of Plaintiff's business in Japan.

Next, concerning the point made in the above [ii], as shown by the online articles listed by Plaintiff (Exhibits Ko 7 to 21), such as "Popular NY steakhouse arrives in Japan The power of エンパイアステーキハウス ['Empire Steak House' in Japanese]" (website of Nikkei Trendy Net; Exhibit Ko 7) and "エンパイアステーキハウス ['Empire Steak House' in Japanese], a high-class steak from NY, lands in Japan for the first time! Opening in Roppongi this fall" (website of "Asoview! News"; Exhibit Ko 9), it is acknowledged that Plaintiff's restaurant, Empire Steak House, in Roppongi is introduced as "エンパイアステーキハウス" ['Empire Steak House' in Japanese]. However, the above articles do not introduce the restaurant by directly citing the Applied Trademark, so that it cannot be said that the articles are directly tied to the impression and the like given to consumers and traders coming into contact with the Applied Trademark.

In addition, there also examples in which Plaintiff's restaurant in Roppongi is indicated using the abbreviation of "エンパイア" ["Empire" in Japanese] like the following online articles: Under the subtitle of "'Steak War in Tokyo'

from NY Popular restaurants opening one after another, aging beef is the big appeal", "Last year, 'Benjamin' and 'エンパイア' ['Empire' in Japanese] opened successively in Roppongi" (Fuji Sankei Business i. dated September 1, 2018; Exhibit Otsu 26); Under the subtitle, "Roppongi, the site of fierce competition among restaurants serving steaks, served very hot, from the home of steaks, NY VS. now in Japan, let's enjoy them with family and friends and feel like you are in Manhattan", "Across the Roppongi Street on the other side, Empire Steak House will land in October ... who lives in NY and who has been to 'エンパイア' ['Empire' in Japanese] in Manhattan ..." (Nikkei Marketing Journal dated September 18, 2017; Exhibit Otsu 27); Under the subtitle of "Trouble in the battle line of Roppongi steak war! Complication expected as 'エンパイア' ['Empire' in Japanese] makes a landing from NY" (dated September 5, 2017), "'エンパイア' ['Empire' in Japanese] is a steakhouse launched by the Sinanaj brothers, Jack, Jeff, and Russ, in 2010", "The value offered by 'エンパイア' ['Empire' in Japanese] ... the restaurant's concept is, bluntly, 'reproduction of 'エンパイア' ['Empire' in Japanese] in NY' and 'to have people enjoy the real NY style'" (website of Mynavi News; Exhibit Otsu 28); Under the subtitle of "Necessity of Roppongi to make a drastic change to a 'town of steaks" (dated October 29, 2017), "Empire Steak House Roppongi, which opened on October 17 in the middle of Imoaraizaka in Roppongi", "エンパイア' ['Empire' in Japanese] selected Roppongi as the first location for its overseas expansion", "It is not only Empire, as mentioned at the beginning, that follows Wolfgang" (website of Toyo Keizai Online; Exhibit Otsu 29).

Accordingly, it cannot be acknowledged that the points made in the above [i] and [ii] represent the realities of business, which would provide basis for the argument that there is no likelihood of creating confusion as to the source of the service concerned if the Applied Trademark and the Cited Trademark are used in the same or similar service, and thus the above claim by Plaintiff cannot be accepted.

- (3) As described above, the Applied Trademark is similar to the Cited Trademark.

Furthermore, the designated services of the present application (Class 43: "Restaurant services; Carry-out restaurant services; Catering services") are the same as or similar to "Providing foods and beverages such as grilled meat dish and seafood" in Class 43 from among the designated services for the Cited Trademark.

Accordingly, it is acknowledged that the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act, and the JPO Decision, whose purport is the same as indicated above, is correct.

3. Conclusion

Based on what is described above, the JPO Decision, which was made to the effect that the Applied Trademark falls under Article 4, paragraph (1), item (xi) of the Trademark Act, is correct, and thus the grounds for rescission as asserted by Plaintiff are unjustifiable.

Therefore, Plaintiff's claim shall be dismissed.

Intellectual Property High Court, Fourth Division

Presiding Judge:	OTAKA Ichiro
Judge:	FURUKAWA Kenichi
Judge:	OKAYAMA Tadahiro

(Attachment)

