

Design Right	Date	December 20, 2018	Court	Tokyo District Court, 47th Civil Division
	Case number	2017 (Wa) 40178		
1. A case in which the court denied that a registered partial design for an eye mask is similar to the design of Defendant's Product. 2. A case in which the court denied that Plaintiff's Product, which includes a leg warmer, has the nature of an indication of goods or business.				

Summary of the Judgment

The present case is one in which the Plaintiff asserted that [i] the act of manufacture and sale by Defendant Company of Defendant's Product (eye mask; Subject Article) infringes on the design right for Plaintiff's registered design (Registered Design), and that [ii] the configuration unique to the products sold by the Plaintiff (leg warmer, etc.; Plaintiff's Product) had become well-known and famous as the Plaintiff's indication of goods or business, so that the act of manufacture and sale of similar products (arm and leg warmer, etc.; Defendant's Product) by Defendant Company constitutes an act of unfair competition as stipulated in Article 2, paragraph (1), items (i) and (ii) of the Unfair Competition Prevention Act, thereby making claims against Defendant Company, [i] pursuant to Article 37, paragraphs (1) and (2) of the Design Act, for an injunction against the act of manufacture and transfer of the Subject Article, and [ii] pursuant to Article 3, paragraphs (1) and (2) of the Unfair Competition Prevention Act, for an injunction against the act of manufacture and transfer of Defendant's Product, and making a claim against Defendant Company and the president of Defendant [iii] for compensation for damage pursuant to Article 709 of the Civil Code and Article 39, paragraph (1) of the Design Act, Article 4 and Article 5, paragraph (1) of the Unfair Competition Prevention Act, and Article 429, paragraph (1) of the Companies Act.

Issues in the present case include [i] whether or not the Registered Design and the design of the Subject Article are similar (Issue 1), [ii] whether or not the configuration of Plaintiff's Product falls under an indication of goods or business (Issue 2), [iii] whether or not the configuration of Plaintiff's Product is well-known or famous (Issue 3), [iv] whether or not the configuration of Defendant's Product is likely to create confusion due to its similarity with the configuration of Plaintiff's Product (Issue 4), and [v] the amount of damages suffered by the Plaintiff (Issue 5).

In the judgment of the present case, the court held as follows concerning Issue 1. While the designs have many commonalities in configuration, all of these commonalities are already found in publicly known designs, whereas some of the differences are not found in publicly known designs and strongly attract the attention

of consumers, and they are included in the important part of the Registered Design (as also supported by the Plaintiff's opinions during the application process). As such, when the two designs are observed in their entirety, it should be said that they provoke different aesthetic senses to spectators, and thus the two designs cannot be acknowledged as being similar. Next, the court held as follows concerning Issue 2. In order for the configuration per se of a product to have a secondary meaning as an indication of a specific source, and to fall under an "indication of goods or business" as referred to in Article 2, paragraph (1), items (i) and (ii) of the Unfair Competition Prevention Act, it is reasonable to interpret that the following requirements are met; namely, that [i] the configuration of a product is noticeably unique in a way that objectively differentiates the product from other products of the same type (exceptional distinctiveness), and that [ii] the configuration is used exclusively by a specific business operator for a long time, or even if the use is for a short time, a product having said configuration has become well-known, as a result of very intense advertisement and explosive sales performance and the like, among consumers as an indication of source of a specific business operator (publicity). On that premise, since it cannot be said at all that the unique configuration that is commonly found in the configuration of Plaintiff's Product had become so noticeable to an unprecedented extent (having exceptional distinctiveness), it cannot be acknowledged at all that the configuration of Plaintiff's Product had acquired the nature of an indication of good or business. In conclusion, the court dismissed the Plaintiff's claims entirely.