

Date	April 28, 1999	Court	Tokyo District Court, 29th Civil Division
Case number	1997 (Wa) 16468		
– A case in which the court did not grant an injunction against the use of the defendant's marks claimed based on the trademark right, on the grounds that such exercise of the trademark right constitutes an abuse of right.			

References: Article 1, paragraph (3) of the Civil Code, Article 37, item (vii) of the Trademark Act

Number of related rights, etc.: Trademark Registration No. 3137652

### Summary of the Judgment

In this case, the plaintiff, which holds a trademark right (the "Trademark Right") for the trademark (the "Trademark") registered for the designated services of "designing, creation or maintenance of a computer program" (the "Designated Services"), alleged that the marks used for the antivirus disks sold by the defendant (the "defendant's marks") are similar to the Trademark and the use thereof infringes the Trademark Right. Accordingly, the plaintiff sought an injunction based on the Trademark Right against the use by the defendant of the defendant's marks for designing, creation or maintenance of a computer program.

The Trademark consists of horizontally written katakana characters "ウィルスバスター" (whirusubasutā), and the defendant's marks include one that consists of horizontally written katakana characters "ウィルスバスター" (uirusubasutā).

In this judgment, the court dismissed the plaintiff's claim, holding as summarized below.

- (1) The Trademark and the defendant's marks are similar to each other.
- (2) The Designated Services, "designing, creation or maintenance of computer programs", are similar to the defendant's product, "Antivirus Disks", and hence the use by the defendant of the defendant's marks for its antivirus disks is deemed to constitute infringement as referred to in Article 37, item (vii) of the Trademark Act.
- (3) It cannot be found that the mark described in List 3 attached to this judgment that was used for the defendant's product (which is identical or substantially identical with the defendant's marks) had been well known among consumers as that indicating Antivirus Disks sold by the defendant as of September 30, 1992, when the plaintiff filed the application for trademark registration in relation to the Trademark. Consequently, the defendant cannot be recognized as having the prior user's right.
- (4) However, the Trademark is generally ineffective at distinguishing the source of goods or services and is not one that materializes the plaintiff's confidence; and for this

reason, it can be said that even if the defendant were to use the defendant's marks, which are similar to the Trademark in connection with antivirus disks, it would hardly damage the Trademark's ability to distinguish the source of goods or services. On the other hand, the defendant had continuously used the mark described in List 3 attached to this judgment prior to the plaintiff's filing of the application for trademark registration in relation to the Trademark, and the defendant's marks are now famous trademarks to the extent that general consumers can immediately recognize goods affixed with the defendant's marks as the defendant's goods. Therefore, imposing an injunction against the use of the defendant's marks based on the Trademark Right will significantly damage the ability to distinguish the source of goods, which the defendant's marks have in actual transactions, and will seriously undermine general consumers' confidence in the defendant's marks. It is thus recognized as causing a consequence that goes against the purpose of the Trademark Act, which is designed to protect trademarks' ability to distinguish the source of goods or services.

Consequently, the plaintiff's exercise of the Trademark Right against the defendant should be considered to be unacceptable as one that falls under an abuse of right.

Judgment rendered on April 28, 1999

1997 (Wa) 16468

Plaintiff: Network Associates Kabushiki Kaisha

Counsel attorney: MORIMOTO Tetsuya

Counsel subagent attorney: YASUDA Yoshiko

Defendant: Trend Micro Incorporated

Counsel attorney: OKA Kunitoshi

Same as above: KOBAYASHI Katsunori

Same as above: OBATA Akihiko

Same as above: KONDO Natsu

#### Main Text

1. All of the plaintiff's claims shall be dismissed.
2. The plaintiff shall bear the court costs.

#### Facts and reasons

#### No. 1 Claims

##### I. Primary claims

1. The defendant shall not use the marks described in List 1 attached to this judgment in connection with the designing, creation or maintenance of a computer program and the manufacturing or sale of magnetic disks and other storage devices on which a computer program is stored.
2. The defendant shall neither affix the marks described in List 1 attached to this judgment to magnetic disks and other storage devices on which a computer program is stored nor sell nor display for sale magnetic disks and other storage devices affixed with said marks on which a computer program is stored.

##### II. Secondary claim

The defendant shall affix the following indication to magnetic disks and other storage devices on which a computer program is stored and their packages, advertisements, and explanatory documents, all of which are affixed with the marks described in List 1 attached to this judgment.

#### Notes

"ウイルスバスター" (virus buster) is a registered trademark (services) of Network Associates Co., Ltd.

#### No. 2 Allegations of the parties

(Regarding the primary claims)

##### I. Statement of claim

1. The plaintiff holds the following trademark right (hereinafter referred to as "Trademark Right"; the registered trademark pertaining to the Trademark Right is referred to as "Trademark," and the designated services pertaining thereto is referred to as "Designated Services").

Registration number: No. 3137652

Application date: September 30, 1992

Registration date: March 29, 1996

Class of goods or services: Class 42

Designated services: Designing and creation or maintenance of computer programs

Registered trademark: As described in List 2 attached to this judgment

2. The defendant affixes Marks 1 to 8 described in List 1 attached to this judgment (hereinafter referred to as "Defendant's Mark 1," etc.; the marks described in said list are collectively referred to as "Defendant's Marks") to floppy disks or CD-ROMs manufactured by the defendant on which antivirus software designed or created by the defendant is stored (hereinafter floppy disks or CD-ROMs on which antivirus software is stored are referred to as "Antivirus Disks"), sells or displays for sale Antivirus Disks and their packages to which the Defendant's Marks are affixed, and displays or distributes advertisements, price lists, transaction documents, or explanatory documents concerning Antivirus Disks, all of which are affixed with the Defendant's Marks.

(omitted)

## II. Admission or denial of the statement of claim

1. The defendant admits the facts stated in 1 in the statement of claim.

2. The defendant admits the facts stated in 2 in the statement of claim are found to the extent that the defendant affixes the Defendant's Marks to Antivirus Disks, sells or displays for sale Antivirus Disks and their packages to which the Defendant's Marks are affixed, and displays or distributes advertisements, price lists, transaction documents or explanatory documents concerning Antivirus Disks, all of which are affixed with the Defendant's Marks. The defendant denies the remaining facts.

(omitted)

## No. 3 Court decision

I. Determinations are made on the primary claims.

(omitted)

(V) According to the above, the defendant is found to use the Defendant's Marks, which are similar to the Trademark, in connection with Antivirus Disks, which are goods similar to the Designated Services. Therefore, the defendant's said act of use falls under the act set forth in Article 37, item (vii) of the Trademark Act.

2. Accordingly, determinations are made on the defendant's defenses.

(I) Regarding Defense 1 (prior user's right)

According to evidence (Exhibits Otsu No. 3-3 to No. 3-6, No. 3-10, No. 3-22, No. 4, No. 5, and No. 16) and the entire import of argument, the following facts are found: [i] the defendant started selling Antivirus Disks affixed with the mark described in List 3 attached to this judgment in April 1991 and has continuously sold them since then; [ii] the defendant sold 1,452 Antivirus Disks in total, including those sold under a site license contract (there were four companies to which the defendant sold its products under a site license contract, and a set of Antivirus Disks was sold to each of the four companies and is used in multiple computers by copying; the number of computers of said four companies is 305 in total; therefore, said volume of sales is 305 for said four companies in total), by September 30, 1992, when the plaintiff filed the application for trademark registration in relation to the Trademark; [iii] in April 1991, newspapers (specifically, Nikkei Sangyo Shimbun, Nikkan Kogyo Shimbun, Sankei Shimbun, and Dempa Shimbun) respectively published an article that the defendant would start or had started selling an antivirus software product named "ウイルスバスター" (virus buster) on the 25th of the same month, and a magazine titled "Pasokon tsūshin" (computer communications; issued on June 1, 1991) also published an article to the same effect; [iv] the January 30, 1992 issue of the newspaper Nikkan Kogyo Shimbun published an article describing the fact that the defendant had sold "ウイルスバスター" (virus buster); and [v] the July 28, 1992 issue of the newspaper Nikkei Sangyo Shimbun published an article describing the fact that the defendant would start selling an antivirus software product named "ウイルスバスタープロ" (virus buster for professional use).

According to the facts found above, the volume of sales of Antivirus Disks, which the defendant had sold while affixing the mark described in List 3 attached to this judgment by September 30, 1992, when the plaintiff filed the application for trademark registration in relation to the Trademark, was no more than 1,452 in total, even including those sold under a site license contract, as mentioned above. In addition, during said period, said newspapers and magazine published such articles as that the defendant would start selling an antivirus software product named "ウイルスバスター" (virus buster) only seven times in total. There is no sufficient evidence to find that the defendant conducted promotional and advertising activities

other than those articles in newspapers and magazine in relation to its Antivirus Disks. Therefore, it cannot be found that the mark described in List 3 attached to this judgment had been well known among consumers as that indicating Antivirus Disks sold by the defendant as of September 30, 1992, when the plaintiff filed the application for trademark registration in relation to the Trademark.

Incidentally, the defendant alleges that the level of being well-known required for finding the prior user's right as set forth in Article 32, paragraph (1) of the Trademark Act can be lower than that prescribed in Article 4, paragraph (1), item (x) of said Act. However, as found above, the volume of sales of Antivirus Disks affixed with the mark described in List 3 attached to this judgment was small, and said newspaper articles, etc. were placed only a few times. In light of these facts, said finding will never be changed even based on the view as alleged by the defendant.

Consequently, there is no reason for Defense 1 without the need for making determinations on other issues.

(omitted)

### (III) Regarding Defense 3 (abuse of right)

(1) According to evidence (Exhibits Otsu No. 6, No. 7, and No. 9), the following facts are found: [i] according to the result of the questionnaire survey concerning the status of use of antivirus software, which was conducted on the members of "keyman's net" (a members-only information service run by Recruit Co., Ltd. targeting companies and persons in charge of network systems; it had about 60,000 members) during the period from July 18 to 29, 1997, the total users of the defendant's products, "ウイルスバスター95" (virus buster 95), "ウイルスバスターVer. 5" (virus buster ver. 5), and "ウイルスバスターPOWER PACK" (virus buster POWER PACK), reached about 60% of all users of antivirus software, and said result was reported in a computer magazine titled "Nikkei Watcher" (published on October 3, 1997); [ii] it was stated in an article titled "Share of antivirus software products" in a computer magazine titled "PCfan" (published on November 1, 1997) that the market share of the defendant's "ウイルスバスター" (virus buster) accounted for 56%; and [iii] in addition, the defendant's product, "ウイルスバスター97" (virus buster 97), was ranked fourth in an article about the top ten most sold computer software products in the first half of September of the same year. Comprehensively taking into account these facts and the entire import of argument, "ウイルスバスター" (virus buster) is recognized among computer users as a famous trademark indicating Antivirus Disks sold by the defendant. There is no evidence to contradict this.

Therefore, it is found that consumers who see a product affixed with the indication "ウイル

スバスター" (virus buster) immediately recognize it as the defendant's goods. All of the Defendant's Marks have "ウイルスバスター" (virus buster) as their substantial part, as mentioned above.

(2) <1> According to evidence (Exhibit Ko No. 23 and Exhibits Otsu No. 2, No. 3-1 to No. 3-23 and No. 14) and the entire import of argument, the following facts are found: [i] the Trademark consists of a combination of the word meaning computer virus, "ウイルス" (virus), and the word meaning "a person (article) that destroys" in English, "バスター" (buster); [ii] "computer virus" is now widely known as a "program that grows by copying its own program file to other programs and causes unexpected behavior in computers"; [iii] the word "バスター" (buster) came to be known thanks to a film released in 1984 in Japan titled "Ghostbusters," etc.

<2> According to evidence (Exhibit Ko No. 16 and Exhibit Otsu No. 10) and the entire import of argument, the following facts are found: [i] in April 1995, the plaintiff filed an application for trademark registration (Trademark Application No. 1995-34447) in relation to a trademark consisting of the horizontally written katakana characters, "ウイルスバスター," designating "telecommunication machines and apparatus and electronic machines, apparatus and their parts" in Class 9 as the designated goods; [ii] by a notice of reasons for refusal sent on November 1, 1996, the JPO examiner notified the plaintiff of the reasons for refusal to the effect that "The trademark pertaining to this application for trademark registration consists of the characters, 'ウイルスバスター.' However, a program that destroys an operation system, etc. is called 'computer virus/virus program' or merely 'virus' in the current computer industry. Therefore, when using said trademark in connection with a "computer" out of the designated goods thereof, traders and consumers merely recognize it as a program that fights off said program when they see said trademark. Consequently, said trademark is recognized as a mere indication of the quality of the goods"; and [iii] regarding an application for trademark registration (Trademark Application No. 1997-21493) filed by the defendant on February 28, 1997, by a notice of reasons for refusal sent on August 28, 1998, the JPO examiner notified the defendant of the reasons for refusal to the effect that "The trademark pertaining to this trademark application consists of the characters, 'ウイルスバスター' and 'VirusBuster,' which are recognized as meaning 'fighting off viruses.' When using said trademark in connection with, for example, a 'storage medium on which a computer program has been stored' out of the designated goods thereof, the trademark merely leads people to understand that said computer program is 'software for fighting off computer viruses.' Therefore, the trademark is recognized as a mere indication of the quality and intended purpose of the goods. Consequently, the trademark pertaining to this application for trademark registration falls under Article 3, paragraph (1), item (iii) of the Trademark Act. If said trademark is used in connection with applied electronic machines, apparatus and their parts other than the aforementioned goods (services), it is likely

to mislead as to the quality of the goods (services). Therefore, said trademark falls under Article 4, paragraph (1), item (xvi) of the Trademark Act."

<3> According to the facts mentioned in <1> above, it must be said that, apart from the Defendant's Marks mentioned in (1) above, the Trademark itself is generally ineffective in distinguishing the source of goods or services. The notice of reasons for refusal issued by the JPO examiner as mentioned in <2> above can also be understood as such.

(4) According to the entire import of argument, the plaintiff is found to have never used the Trademark in connection with the Designated Services during the period from September 30, 1992, when the plaintiff filed the application for trademark registration in relation to the Trademark, to December 18, 1998, which is the date of conclusion of the oral argument in question. In addition, there is not sufficient evidence to find that the plaintiff has a specific plan to use the Trademark in the future.

Consequently, it is found that plaintiff's confidence has not been materialized in the Trademark at all.

(5) According to the above, the Trademark is generally ineffective at distinguishing the source of goods or services and is not one that materializes the plaintiff's confidence; and for this reason, it can be said that even if the defendant were to use the Defendant's Marks, which are similar to the Trademark in connection with Antivirus Disks, it would hardly damage the Trademark's ability to distinguish the source of goods or services. On the other hand, the defendant had continuously used the mark described in List 3 attached to this judgment prior to the plaintiff's filing of the application for trademark registration in relation to the Trademark, as mentioned in (I) above, and the Defendant's Marks are now famous trademarks to the extent that general consumers can immediately recognize goods affixed with the Defendant's Marks as the defendant's goods. Therefore, imposing an injunction against the use of the Defendant's Marks based on the Trademark Right will significantly damage the ability to distinguish the source of goods, which the Defendant's Marks have in actual transactions, and will seriously undermine general consumers' confidence in the Defendant's Marks. It is thus recognized as causing a consequence that goes against the purpose of the Trademark Act, which is designed to protect trademarks' ability to distinguish the source of goods or services.

Consequently, the plaintiff's exercise of the Trademark Right against the defendant should be considered to be unacceptable as one that falls under an abuse of right.

3. As mentioned above, there is no reason for the primary claims out of the claims made in this action.

## II. Regarding the secondary claim

As mentioned in I.2.(I) above, the plaintiff is not recognized as having the prior user's right under Article 32, paragraph (1) of the Trademark Act. Therefore, there is no reason for the



secondary claim, which was made in this action on the premise of said prior user's right, without the need for making determinations on other issues.

Tokyo District Court

Presiding judge: MORI Yoshiyuki

Judge: ENOKIDO Michinari

Judge: NAKADAIRA Ken (he can neither sign nor seal  
this judgment as he is a complementary judge)

(omitted)