

Passing off

Kenichi FURUKAWA

Judge of Intellectual Property High Court

Background of disputes

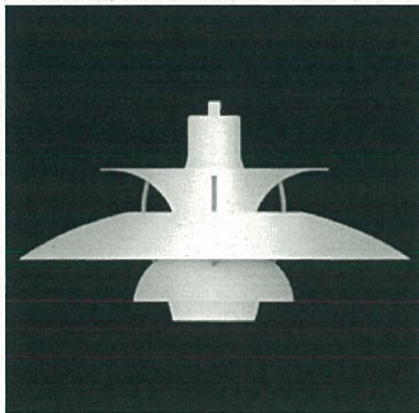
- Poul Henningsen (9 September 1894 – 31 January 1967)
- He was one of the leading figures of the cultural life of Denmark between the World Wars. His best-known models are the PH Artichoke and PH5 (Wikipedia).

“Louis Poulsen A/S” (Defendant) sells product which Poul Henningsen designed with permission of Henningsen’s successor.
- “R&M JaPan” (Plaintiff) sells products related to the designs, for which the design rights have expired, by reproducing the original designs as accurately as possible and calling the resulting products “reproduced items.”

Defendant's trademark

- Defendant's trademark 1 (PH5)

Three-dimensional form of the lampshade



Application date : December 13, 2013

Decision of refusal date : October 7, 2014

Rescindment of above decision date :

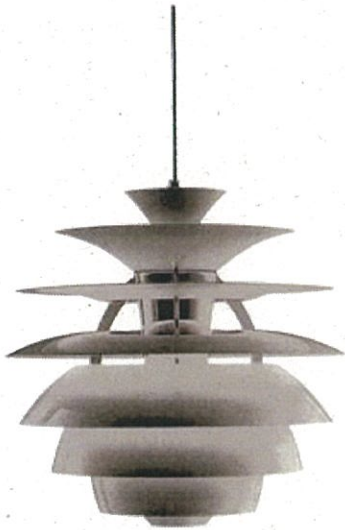
December 15, 2015

Date of registration of establishment :

February 12, 2016

Defendant's trademark

- Defendant's trademark 2 (PH Snowball)



Three dimensional form of the lampshade
(no registration)

Plaintiff's trademark

- Plaintiff's trademark 1



Designated services

retail services or wholesale services for
light bulbs and lighting apparatuses

Application date : June 14, 2013

(prior to defendant's trademark 1)

Date of decision for registration :

December 27, 2013

Date of registration of establishment :

January 17, 2014

Plaintiff's trademark

- Plaintiff's trademark 2



Designated services

retail services or wholesale services for
light bulbs and lighting apparatuses

Application date : January 30, 2014

Date of decision for registration :
June 4, 2014

Date of registration of establishment :
July 11 , 2014

Invalidation trial filed by the defendant

- Defendant argued that plaintiff's trademark 1 and 2 falls under Article 4, paragraph 1, items 7, 10, 15, 16 and 19.
 - item 7 : cause damage to public policy
 - item 10 : similar to another person's trademark which is well known and used in connection with goods similar thereto
 - item 15 : likely to cause confusion in connection with goods pertaining to a business of another person
 - item 16 : likely to mislead as to the quality of the goods.
- JPO rendered decisions that the plaintiff's trademark 1 and 2 falls under Article 4, paragraph 1, item 19.
- So, in the litigation against the above trial decision, the court focused on item 19 only.

Applied law

Article 4, paragraph 1, item 19 of Trademark Act

No trademark shall be registered if the trademark is **identical with, or similar to**, a trademark which is **well known among consumers in Japan** or abroad as that indicating goods or services pertaining to a business of another person, if such trademark is used for **unfair purposes** (referring to the purpose of gaining unfair profits, the purpose of causing damage to the other person, or any other unfair purposes)

Main issues of litigations

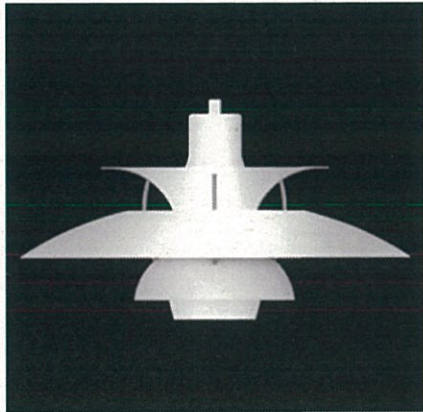
1. well known among consumers in Japan as that indicating goods or services pertaining to a business of another person
2. identical with or similar to, a defendant's trademark
It is clear that p's trademarks are similar to d's trademarks.
3. used for unfair purpose

Well known among consumers in Japan (Issue 1)

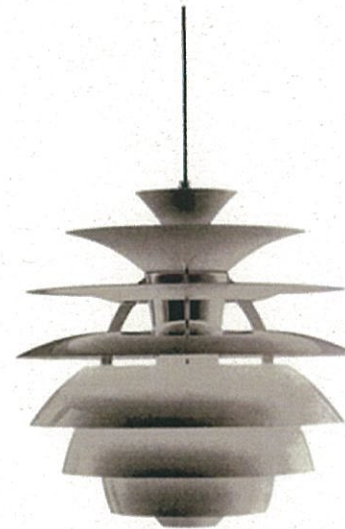
1. consumers of defendant's product mean "traders of lighting apparatuses and interior decorations as well as general consumers who are interested in lighting apparatuses and interior decorations".
2. The three-dimensional form, in itself, of the defendant's product does not have the function of indicating the product source and of distinguishing the product concerned from other products.
3. Therefore, the main issue is whether or not the defendant trademark has, as a result of being used for the defendant's product, acquired the distinction function and become "widely recognized among consumers".

Well known among consumers in Japan

PH5



PH Snowball



Sales

PH5



sold since 1958 in Denmark and
sold since 1976 in Japan

in Japan, average number sold in a
year is approximately 4,600

Increasing gradually year by year
(7,006 in 2014)

PH Snowball



designed in 1958, sold since 1983
in Denmark and sold since 1986 in
Japan

in Japan, average number sold in a
year is approximately 340

Catalogue

PH5



- defendant's product is repeatedly advertised in a manner that makes an impression of the design of the defendant's product by emphasizing that the defendant's product is a "longtime seller all over the world" and was designed by Poul Henningsen, who is referred to as the father of modern lighting, as well as that it is a representative product of the "PH" series

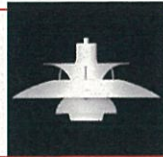
PH Snowball



the photograph of defendant's product, is about the same size as those of other products, and the defendant's product does not particularly stand out. The descriptions concern all the products of PH series which are designed by Henningsen, and it cannot be said that the descriptions place a particular focus on the defendant's product by making an impression of the three-dimensional form.

Publications

PH5



Defendant's product was introduced in a number of publications along with photographs from which the form of the defendant's product can be recognized, and it can be said that the basic contents emphasize the defendant's product having been designed in 1958 by Henningsen, a representative designer of the 20th century, being sold by the defendant as a longtime seller all over the world, and having an excellent design.

PH Snowball



- Many of the publications show the defendant's product with other products, and the photograph of the defendant's product is about the same size as those of other products, and the defendant's product does not particularly stand out.

Others

PH5



Awarded the Good Design Award, the 1997 Prize for Foreign Products, selected by the Ministry of International Trade and Industry.

in 2012, the defendant's product was shown in high school textbooks, along with photograph of the defendant's product.

PH Snowball



Conclusion of issue 1

PH5



Well known among consumers in Japan

PH Snowball



Not well known among consumers in Japan yet

Unfair purposes of plaintiff (issue 3)

February 20, 2013

The defendant sent an e-mail that the sale of Plaintiff's product infringes on the defendant's trademark right and design right, thereby constituting unfair competition, and seeking suspension of the sale of the Plaintiff's product as well as compensation for damages.

June 14, 2013

The plaintiff filed the application for registration of the plaintiff's trademark 1.

January 17, 2014

The plaintiff's trademark 1 was registered.

September 2, 2016

The plaintiff filed a request for import suspension, indicating the defendant as the possible importer.

Unfair purposes of plaintiff (issue 3)

- The plaintiff was fully aware of the fact that the three-dimensional form of the defendant's product is well-known and famous among consumers as indicating the defendant's product.
- The plaintiff took advantage of the fact that, upon receipt of a warning from the defendant, the defendant's trademark was not yet registered as a trademark, and filed the application for registration of the trademark with the intention of guiding the negotiations with the defendant in a direction that is favorable to the plaintiff, or with the intention of securing a countermove.
- The plaintiff, furthermore, actually made a request for import suspension of the defendant's product based on the trademark right.
- Accordingly, the filing by the plaintiff of the application for registration of the trademark had the purpose of hindering the defendant's business operation for the defendant's product.

Conclusion

PH5



- Issue 1 : well known
- Issue 2 : similar to
d's trademark1
- Issue 3 : unfair purpose

Plaintiff's claim was dismissed.
(P's trademark 1 is invalid.)

PH Snowball



- Issue 1 : not well known yet
- Issue 2 : similar to
d's trademark 2
- Issue 3 : (not referred)

Plaintiff's claim was admitted.
(P's trademark 2 is not invalid.)