

Date	November 15, 2012	Court	Intellectual Property High Court, Third Division
Case number	2011 (Gyo-ke) 10326		
<p>– A case in which the court, by finding that the mere examination of similarity in appearance between the trademark in question and the cited trademark was insufficient as the trademark in question affixed on the side of the upper part of training shoes could be recognized as a stripe mark consisting of three blank spaces between four long, narrow lines instead of being recognized as a stripe mark consisting of such four long, narrow lines, and thus would be associated with the famous three-stripe trademark of Adidas, conducted a comprehensive evaluation on various factors such as the impression gained from the structure of the trademark in question and the cited trademark (the famous trademark of Adidas) respectively and the actual circumstances of transactions involving the designated goods of each of the trademarks, and thereby concluded that the use of the trademark in question for the designated goods, "Footwear (other than boots for sports) and boots for sports," could cause the traders and consumers to confuse said goods with the goods related to the business of Adidas</p>			

References:

Article 4, paragraph (1), item (xv) of the Trademark Act

The Japan Patent Office (JPO) made a trial decision to dismiss a request for an invalidation trial, by holding that the registration of the trademark in question (hereinafter referred to as the "Trademark") cannot be considered to have been made in violation of Article 4, paragraph (1), item (xv) of the Trademark Act, based on the grounds that since the Trademark and the cited trademark are sufficiently distinguishable as two different trademarks, and even if the defendant used the Trademark on the designated goods, any trader or consumer who comes across the Trademark would not associate the Trademark with the cited trademark or recall the cited trademark, and that the Trademark would not cause any confusion about the source of goods.

In this judgment, the court found that, in the case of training shoes, which belong to the category of designated goods, "Footwear (other than boots for sports) and boots for sports," a trademark is often affixed to the side of the upper part of each shoe, which results in the situation where a person who looks at the trademark consisting of four lines with three blank spaces in between may be confused as to whether said trademark should be regarded as a four-stripe mark or a three-stripe mark due to the difficulty in seeing the configuration of the upper and lower parts of the trademark. The court further held that, since a trader or consumer who comes across the

Trademark that is affixed on the side of the upper part of training shoes could recognize the Trademark as a stripe mark consisting of three blank spaces between four long, narrow lines instead of a stripe mark consisting of four long, narrow lines, a mere examination on similarity in appearance between the Trademark and the cited trademark is insufficient, and thereby conducted a comprehensive evaluation on various factors such as the impression gained from the structure of the Trademark and the cited trademark (the famous trademark of Adidas) respectively as well as the actual circumstances of transactions involving the designated goods of each of the trademarks. Based on the abovementioned comprehensive evaluation, the court rescinded the JPO trial decision by holding that it was reasonable to conclude that the use of the Trademark for the designated goods, "Footwear (other than boots for sports) and boots for sports," could cause the traders and consumers to confuse said goods with the goods related to the business of Adidas.

Judgment rendered on November 15, 2012

2011 (Gyo-Ke) 10326 The case of seeking rescission of JPO decision

Date of conclusion of oral argument: August 30, 2012

Judgment

Plaintiff: adidas AG

Plaintiff: adidas International Marketing B.V.

Defendant: Nissen Holdings Co., Ltd.

Main text

1. The trial decision rendered by the JPO on June 8, 2011 regarding the Invalidation Trial No. 2010-890100 shall be rescinded.
2. The plaintiff shall bear the court costs.

Facts and reasons

I. Claims

Same as stated in the main text.

II. Undisputed facts

1. Proceedings at the JPO

The defendant is the owner of the trademark rights related to the trademark set forth below (hereinafter referred to as the "Trademark").

DESCRIPTION

Registration No.: 4913996

Date of application: May 25, 2005

Date of decision to register: October 28, 2005

Date of registration: December 9, 2005

Trademark: As indicated in Section 1 of the Attachment

Classification of goods and/or services: Class 25

Designated goods: Footwear (other than special shoes for athletic use) and special shoes for athletic use

On December 3, 2010, the plaintiffs filed a trial request with the JPO, seeking the invalidation of the registration of the Trademark (Invalidation Trial No. 2010-890100; hereinafter referred to as the "Trial Request"). On June 8, 2011, the JPO decided that "the present request for a trial is groundless" (hereinafter referred to as the "Trial Decision"), and a certified copy of the decision was served on the plaintiff on the 16th

day of the same month.

2. Reasons for the Trial Decision

The reasons for the Trial Decision are as stated in the transcript of the Trial Decision attached hereto, and can be summarized as follows.

(1) Regarding Article 4, paragraph (1), item (xv) of the Trademark Act

The Trademark and the cited trademarks Nos. 1 through 23 given below (all these trademarks, including the trademark used by the plaintiffs whose main feature is a triple line (hereinafter referred to as the "Trademark Used by the Plaintiff"), are hereinafter collectively referred to as the "Cited Trademarks") are sufficiently distinguishable as distinct trademarks. Therefore, even if the claimee (defendant) uses the Trademark on the designated goods, no traders or consumers who come across the Trademark would associate the Trademark with the Cited Trademarks, and the Trademark would not cause any confusion about the source of goods as if they were goods related to the business of the claimants (plaintiffs) or any other person having some kind of economic or organizational relationship with those persons. It must also be mentioned that the Cited Trademarks' function of source indication is not diluted.

Therefore, it cannot be declared that the registration of the Trademark is in violation of Article 4, paragraph (1), item (xv) of the Trademark Act.

(2) Regarding Article 4, paragraph (1), item (vii) of the Trademark Act

The Trademark cannot be readily regarded as an imitation of any of the Cited Trademarks. Thus, the Trademark cannot be regarded as having been adopted in order to free-ride the credibility and customer appeal that the Cited Trademarks deliver, or for any other dishonest purposes, and using the Trademark on the designated goods does not readily constitute a contravention of morals in society at large and international good faith, and is not likely to harm public order.

Therefore, the registration of the Trademark cannot be said to be in violation of Article 4, paragraph (1), item (vii) of the Trademark Act.

DESCRIPTION

A. Cited Trademark No. 1 (registration No. 2693722)

Trademark: As indicated in Section 2 of the Attachment

Designated goods: Class 9 "Electronic circuits and CD-ROMs in which programs for TV games and toys for home use and games and toys for portable liquid crystal displays are stored, slot machines, weight belts, wet suits, air bladders, protective helmets for athletic use, air tanks, paddleboards for swimming, regulators, electronic circuits and CD-ROMs in which automatic playback programs for electronic

musical instruments are stored, metronomes, records," Class 25 "Special clothes for athletic use, special shoes for athletic use (except for 'riding boots'), riding boots, masquerade clothes," and Class 28 "Athletic equipment, toys, dolls, articles for *go*, articles for *shogi*, *utagaruta* cards, dice, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, playing cards, *hanafuda* cards, articles for mah-jongg, playing articles, articles for billiards, fishing gear"

Date of application for registration: February 7, 1986

Date of establishment and registration: August 31, 1994

Date of registration of designated goods change: September 14, 2005

B. Cited Trademark No. 2 (registration No. 2671514)

Trademark: As indicated in Section 2 of the Attachment

Designated goods: Class 18 "Umbrellas, sticks, canes, cane hardware, cane handles" and Class 25 "Footwear"

Date of application for registration: February 7, 1986

Date of establishment and registration: June 29, 1994

Date of registration of designated goods change: August 17, 2005

C. Cited Trademark No. 3 (registration No. 2708505)

Trademark: As indicated in Section 3 of the Attachment

Designated goods: Class 9 "Weight belts, wet suits, air bladders, protective helmets for athletic use, air tanks, paddleboards for swimming, regulators, electronic circuits and CD-ROMs in which programs for TV games and toys for home use and games and toys for portable liquid crystal displays are stored, slot machines, electronic circuits and CD-ROMs in which automatic playback programs for electronic musical instruments are stored, metronomes, records," Class 25 "Special clothes for athletic use, special shoes for athletic use (except for 'riding boots'), riding boots, masquerade clothes," and Class 28 "Athletic equipment, toys, dolls, articles for *go*, articles for *shogi*, *utagaruta* cards, dice, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, playing cards, *hanafuda* cards, articles for mah-jongg, playing articles, articles for billiards, fishing gear"

Date of application for registration: November 8, 1990

Date of establishment and registration: July 31, 1995

Date of registration of designated goods change: January 4, 2006

D. Cited Trademark No. 4 (registration No. 2593080)

Trademark: As indicated in Section 3 of the Attachment

Designated goods: Class 25 "Footwear" and Class 26 "Shoe accessories (except for those made of precious metals), eyelets in shoes, shoelaces, alternative hardware for shoelaces"

Date of application for registration: November 8, 1990

Date of establishment and registration: October 29, 1993

Date of registration of designated goods change: May 26, 2004

E. Cited Trademark No. 5 (registration No. 4025668)

Trademark: As indicated in Section 3 of the Attachment

Designated goods: Class 24 "Personal fabric articles, mosquito nets, sheets, *futon*, *futon covers*, *futon-gawa*, pillow covers, blankets" and Class 25 "Clothing"

Date of application for registration: November 8, 1990

Date of establishment and registration: July 11, 1997

Date of registration of designated goods change: May 28, 2008

F. Cited Trademark No. 6 (registration No. 4180654)

Trademark: As indicated in Section 3 of the Attachment

Designated goods: Class 14 "Body ornaments (except for 'cuff buttons'), cuff buttons, jewels, and their imitations," Class 18 "Bags, pouches, portable dressing cases," and Class 25 "Garters, sock stoppers, suspenders, bands, belts"

Date of application for registration: November 8, 1990

Date of establishment and registration: August 21, 1998

Date of registration of designated goods change: November 5, 2008

G. Cited Trademark No. 7 (registration No. 4376378)

Trademark: As indicated in Section 4 of the Attachment

Designated goods: Class 25 "Clothing, garters, sock stoppers, suspenders, bands, belts, footwear, masquerade clothes, special clothes for athletic use, special shoes for athletic use"

Date of application for registration: June 26, 1998

Date of establishment and registration: April 14, 2000

H. Cited Trademark No. 8 (registration No. 4378318)

Trademark: As indicated in Section 4 of the Attachment

Designated goods: Class 28 "Playing articles, articles for billiards, articles for *go*, articles for *shogi*, dies, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, articles for mah-jongg, toys, dolls, toys for pet animals, sporting equipment, ski wax, fishing gear"

Date of application for registration: June 26, 1998

Date of establishment and registration: April 21, 2000

I. Cited Trademark No. 9 (registration No. 4376377)

Trademark: As indicated in Section 4 of the Attachment

Designated goods: Class 18 "Leather, bags, pouches, portable dressing cases, bag hardware, purse clasps, umbrellas, sticks, canes, cane hardware, cane handles, riding gears, clothes for pet animals"

Date of application for registration: June 26, 1998

Date of establishment and registration: April 14, 2000

J. Cited Trademark No. 10 (registration No. 4399811)

Trademark: As indicated in Section 4 of the Attachment

Designated goods: Class 3 "Soaps, perfumery, other cosmetics, aromatics, toothpaste, false nails, false eyelashes"

Date of application for registration: April 1, 1999

Date of establishment and registration: July 14, 2000

K. Cited Trademark No. 11 (registration No. 1587778)

Trademark: As indicated in Section 5 of the Attachment

Designated goods: Class 9 "Electronic circuits and CD-ROMs in which programs for TV games and toys for home use and games and toys for portable liquid crystal displays are stored, slot machines, weight belts, wet suits, air bladders, protective helmets for athletic use, air tanks, paddleboards for swimming, regulators, electronic circuits and CD-ROMs in which automatic playback programs for electronic musical instruments are stored, metronomes, records," Class 25 "Special clothes for athletic use, special shoes for athletic use (except for 'riding boots'), riding boots, masquerade clothes," and Class 28 "Athletic equipment, toys, dolls, articles for *go*, articles for *shogi*, *utagaruta* cards, dice, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, playing cards, *hanafuda* cards, articles for mah-jongg, playing articles, articles for billiards, fishing gear"

Date of application for registration: December 26, 1974

Date of establishment and registration: May 26, 1983

Date of registration of designated goods change: September 22, 2004

L. Cited Trademark No. 12 (registration No. 2609079)

Trademark: As indicated in Section 5 of the Attachment

Designated goods: Class 18 "Umbrellas, sticks, canes, cane hardware, cane handles" and Class 25 "Footwear"

Date of application for registration: December 26, 1974

Date of establishment and registration: December 24, 1993

Date of registration of designated goods change: March 3, 2004

M. Cited Trademark No. 13 (registration No. 1423465)

Trademark: As indicated in Section 5 of the Attachment

Designated goods: Class 25 "Clothing"

Date of application for registration: December 26, 1974

Date of establishment and registration: June 27, 1980

Date of registration of designated goods change: April 28, 2010

N. Cited Trademark No. 14 (registration No. 2693723)

Trademark: As indicated in Section 6 of the Attachment

Designated goods: Class 9 "Electronic circuits and CD-ROMs in which programs for TV games and toys for home use and games and toys for portable liquid crystal displays are stored, slot machines, weight belts, wet suits, air bladders, protective helmets for athletic use, air tanks, paddleboards for swimming, regulators, electronic circuits and CD-ROMs in which automatic playback programs for electronic musical instruments are stored, metronomes, records," Class 25 "Special clothes for athletic use, special shoes for athletic use (except for 'riding boots'), riding boots, masquerade clothes," and Class 28 "Athletic equipment, toys, dolls, articles for *go*, articles for *shogi*, *utagaruta* cards, dice, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, playing cards, *hanafuda* cards, articles for mah-jongg, playing articles, articles for billiards, fishing gear"

Date of application for registration: February 7, 1986

Date of establishment and registration: August 31, 1994

Date of registration of designated goods change: September 14, 2005

O. Cited Trademark No. 15 (registration No. 2704525)

Trademark: As indicated in Section 6 of the Attachment

Designated goods: Class 18 "Umbrellas, sticks, canes, cane hardware, cane handles," Class 25 "Footwear," and Class 26 "Shoe accessories (except for those made of precious metals), eyelets in shoes, shoelaces, alternative hardware for shoelaces"

Date of application for registration: February 7, 1986

Date of establishment and registration: February 28, 1995

Date of registration of designated goods change; June 29, 2005

P. Cited Trademark No. 16 (registration No. 2693724)

Trademark: As indicated in Section 7 of the Attachment

Designated goods: Class 9 "Electronic circuits and CD-ROMs in which

programs for TV games and toys for home use and games and toys for portable liquid crystal displays are stored, slot machines, weight belts, wet suits, air bladders, protective helmets for athletic use, air tanks, paddleboards for swimming, regulators, electronic circuits and CD-ROMs in which automatic playback programs for electronic musical instruments are stored, metronomes, records," Class 25 "Special clothes for athletic use, special shoes for athletic use (except for 'riding boots'), riding boots, masquerade clothes," and Class 28 "Athletic equipment, toys, dolls, articles for *go*, articles for *shogi*, *utagaruta* cards, dice, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, playing cards, *hanafuda* cards, articles for mah-jongg, playing articles, articles for billiards, fishing gear"

Date of application for registration: February 7, 1986

Date of establishment and registration: August 31, 1994

Date of registration of designated goods change: September 14, 2005

Q. Cited Trademark No. 17 (registration No. 2671515)

Trademark: As indicated in Section 7 of the Attachment

Designated goods: Class 18 "Umbrellas, sticks, canes, cane hardware, cane handles" and Class 25 "Footwear"

Date of application for registration: February 7, 1986

Date of establishment and registration: June 29, 1994

Date of registration of designated goods change: August 17, 2005

R. Cited Trademark No. 18 (registration No. 2528490)

Trademark: As indicated in Section 8 of the Attachment

Designated goods: Class 14 "Body ornaments (except for 'cuff buttons'), cuff buttons, purses and wallets made of precious metals" and Class 18 "Bags, pouches, portable dressing cases"

Date of application for registration: December 14, 1990

Date of establishment and registration: April 28, 1993

Date of registration of designated goods change: December 15, 2004

S. Cited Trademark No. 19 (registration No. 2160863)

Trademark: As indicated in Section 9 of the Attachment

Designated goods: Class 25 "Special clothes for athletic use, special shoes for athletic use (except for 'riding boots'), riding boots, masquerade clothes" and Class 28 "Athletic equipment, toys, dolls, articles for *go*, articles for *shogi*, *utagaruta* cards, dice, *sugoroku* games, dice cups, Diamond Game, articles for chess, articles for checkers, articles for magic tricks, articles for dominoes, playing cards, *hanafuda* cards, articles

for mah-jongg, playing articles, articles for billiards, fishing gear"

Date of application for registration: May 29, 1987

Date of establishment and registration: August 31, 1989

Date of registration of designated goods change: July 22, 2009

T. Cited Trademark No. 20 (registration NO. 2190105)

Trademark: As indicated in Section 9 of the Attachment

Designated goods: Class 25 "Footwear"

Date of application for registration: May 29, 1987

Date of establishment and registration: November 28, 1989

Date of registration of designated goods change: August 19, 2009

U. Cited Trademark No. 21 (registration No. 2147023)

Trademark: As indicated in Section 9 of the Attachment

Designated goods: Class 25 "Clothing"

Date of application for registration: May 29, 1987

Date of establishment and registration: June 23, 1989

Date of registration of designated goods change: April 30, 2009

V. Cited Trademark No. 22 (registration No. 2199877)

Trademark: As indicated in Section 9 of the Attachment

Designated goods: Class 18 "Bags, pouches, portable dressing cases"

Date of application for registration: May 29, 1987

Date of establishment and registration: December 25, 1989

Date of registration of designated goods change: October 14, 2009

W. Cited Trademark No. 23 (registration No. 4522864)

Trademark: As indicated in Section 10 of the Attachment

Designated goods: Class 25 "Shoes for athletic use, walking shoes, football shoes, basketball shoes, baseball shoes, tennis shoes, shoes for tracks and fields, running shoes, golf shoes, rugby shoes, shoes for gymnastics, volleyball shoes, handball shoes, climbing shoes, trekking shoes, training shoes"

Date of application for registration: April 6, 2000

Date of establishment and registration: November 16, 2001

(omitted)

IV. Court decision

This court judges that the Ground for Rescission No. 1 asserted by the plaintiffs is well-grounded and the Trial Decision should be rescinded. The reasons for this are

as follows.

1. Regarding the Ground for Rescission No. 1 (misjudgment on the applicability of Article 4, paragraph (1), item (xv) of the Trademark Act)

(1) The Trial Decision found that the composition of the Trademark is such that "as indicated in Appendix 1 (note for the present Judgment: Section 1 of the Attachment of the present Judgment), it has four elongated trapezoidal figures drawn by contour lines slightly inclined in the left direction toward a virtual vertical line, which figures are placed at regular intervals to rise from bottom left to top right in relation to a virtual bottom, are depicted in incremental lengths from left to right so that the rightmost one is slightly longer than the leftmost one, and each have two stitch-like patterns depicted along each of the two sides facing each other in parallel, and a large number of small round dots depicted at regular intervals between these patterns" (lines 11 through 17, page 11 of the Trial Decision). Then, the Trial Decision made comparisons with the Cited Trademarks and pointed out as follows. [i] The Trademark comprises four elongated trapezoidal figures, but the graphical parts of the Cited Trademarks comprise three shorter trapezoidal figures and the like. [ii] The four trapezoidal figures which the Trademark comprises have different lengths, but these differences are not so remarkable, and partly because of the elongated nature of the four trapezoidal figures, the overall inclination angle comes across as relatively moderate; on the other hand, (a) the three trapezoidal figures depicted on shoe sides in the Cited Trademarks 1 through 10 and 23 have fairly remarkable differences in length, and partly because of the shorter nature of the three trapezoidal figures, an overall impression is a fairly sharp inclination angle; (b) the three trapezoidal figures which the Cited Trademarks 11 through 13 comprise have different lengths, but the differences are very slight to the eye, and an impression given is more of the three trapezoidal figures being placed in parallel; (c) the three parallelogramic figures of the Cited Trademarks 14 through 17 have equal lengths and are placed in parallel, and moreover, the figures which the Cited Trademarks 11 through 17 comprise have saw-blade-shaped longitudinal lines on both sides, and (d) the Cited Trademark 18 has three trapezoidal figures drawn by double contour lines, but because of the very small interval between them, an overall impression given is more of a single trapezoidal figure having stripes. [iii] The Trademark is obviously different in that each of its trapezoidal figures has stitch-like patterns and a large number of small round dots. According to the Trial Decision, there is no risk of the Trademark and the Cited Trademarks being confused in terms of appearance, and even if the appellations "sanbonsen" (triple line) and "three stripes" and the concept "sanbonsen" arise from the Cited Trademarks, the Trademark gives

rise to no specific appellations or concepts (even if the appellation "yonhonsen" (quadruple line) and the concept "four-line figure" arise from the Trademark), and these appellations and concepts are sufficiently distinctive, and there is no need for comparative analysis. The Trial Decision thus held that the registration of the Trademark is not in violation of Article 4, paragraph (1), item (xv) of the Trademark Act.

In response, the plaintiffs argue as follows. With regard to the point [i] above, (a) the number of stripes, whether it is four or three, is not a big difference. (b) In the designated goods "footwear (other than special shoes for athletic use) and special shoes for athletic use" for the Trademark, trademarks are often displayed on the sides of the shoe top. There are three blank spaces between the four stripes which the Trademark comprises, and those spaces are highly likely to be perceived as "three stripes" or "triple line." With regard to the point [ii] above, because the triple-line trademark has been used in many different designs for many years, consumers will perceive and understand goods using triple lines as those manufactured and sold by the plaintiff just because of their presence, regardless of exactly how the triple lines are designed. With regard to the point [iii] above, the "stitch-like patterns" are seams incidental to the displaying of the Trademark on the designated goods "footwear (other than special shoes for athletic use) and special shoes for athletic use," and it is a commonplace style. "A large number of small round dots" correspond to punched holes (small holes) long adopted as the design of the Trademark Used by the Plaintiff.

(2) Findings

A. The Trademark

As indicated in Section 1 of the Attachment, the Trademark has four elongated trapezoidal stripes drawn by contour lines slightly inclined in the left direction toward a virtual vertical line, which stripes are placed at regular intervals to rise slightly from bottom left to top right in relation to a virtual bottom, are depicted in incremental lengths from left to right so that the rightmost one is slightly longer than the leftmost one, and each has two stitch-like patterns depicted along each of the two sides facing each other in parallel, and a large number of small round dots depicted at regular intervals between these patterns.

B. Marking on adidas goods, etc.

(a) It is accepted also by the defendant that "the Cited Trademarks whose main feature is a triple line (especially, the graphical parts of the Cited Trademarks 1 and 2, and the Cited Trademarks 3 through 13 and 23, including those marks appearing in catalogs and the like or given on athletic shoes in a variety of colors) had been widely perceived

among traders and consumers in Japan as trademarks for sporting goods, especially shoes for sports and other purposes, since before the registration of the Trademark was applied for" (lines 2 through 8, page 11 of the Trial Decision).

(b) And, given the evidence (Exhibits Ko 26 through 67, 83, 84, 96 through 112, 114, 128 through 149; including sub-numbers if any) and the entire import of the oral argument, the following facts can be found, too.

a. The plaintiff adidas AG is a sporting goods manufacturer headquartered in Herzogenaurach, the Federal Republic of Germany. The plaintiff Adidas International is a subsidiary company of the plaintiff adidas AG established in Amsterdam, the Kingdom of the Netherlands in order to manage the trademark rights and other intellectual property rights of the plaintiff adidas AG and the adidas group it owns. The registered Cited Trademarks 1 through 6 and 11 through 23 were registered in the name of the plaintiff adidas AG, and the Cited Trademarks 7 through 10 in the name of the plaintiff adidas International.

b. In 1949, adidas adopted a trademark whose main feature is a triple line as indicated in Section 5 of the Attachment (a trademark whose main feature without regard to minor design differences is a triple line is hereinafter referred to as the "Three-Stripe Trademark"), and started to manufacture and sell athletic shoes bearing this trademark on both sides of the shoe top as side lines.

Since then, adidas has continued to manufacture and sell athletic shoes bearing the Three-Stripe Trademark on the sides of the shoe top. adidas athletic shoes bearing the Three-Stripe Trademark were used by West German athletes in the 15th Olympic Games (in Helsinki) in 1952, and thereafter they have been used by many athletes, including national team members, on many occasions, such as the Olympic Games, FIFA World Cup, and international tennis competitions. This was reported in adidas catalogs, magazine advertisements, sports papers, and so on together with photographs of athletic shoes bearing the Three-Stripe Trademark.

c. From 1989 to around 1996, adidas published advertisements on the back covers of its product catalogs and on newspapers, claiming "the triple line is a trademark of adidas" (Exhibit Ko 35), "the triple line in which high technology is hidden" (Exhibit Ko 57), "the triple line that brings victory" (Exhibit Ko 57), "the triple line for victory ... the three stripes" (Exhibit Ko 62) in conjunction with the Three-Stripe Trademark.

d. In Japan, from around 1971 to 1998, adidas goods, including athletic shoes, were sold through DESCENTE Ltd., which was then an adidas trademark licensee in Japan (note that Kanematsu Sports K.K. was added as another licensee for some time during

this period), and these goods used the Three-Stripe Trademark. Thereafter, from January 1999 to the present date, the sales of adidas athletic shoes bearing the Three-Stripe Trademark have been continued by adidas Japan K.K. established as a subsidiary company of the plaintiff adidas AG.

e. From 1949 to the present date, the Three-Stripe Trademark on athletic shoes manufactured and sold by adidas has always appeared as side lines between the bottom parts of both sides of the shoe top and the eyelet stay (the part where shoelace holes are provided). And, specific presentations of the Three-Stripe Trademark on both sides of the shoe top by adidas vary according to when and on what products it was used, in terms of the stripes' length, width, intervals, angle of inclination, the shape of the contour lines, and other design details.

Moreover, there are many adidas athletic shoes whose Three-Stripe Trademark, displayed on both sides of the shoe top, has two stitch-like patterns along, and inside of, the two mutually facing longitudinal lines of each stripe. Some even have a pattern of many punched holes (small round holes) arranged right between the three stripes or in the middle of each stripe, linearly along the stripes.

C. Actual state of transactions

According to evidence (Exhibits Ko 26 through 64, 83, 84, 88, 96 through 112, 115, 116, 121, 128 through 149, 153 through 159, and Exhibits Otsu 30, 31, 36, and 37; including sub-numbers if any) and the entire import of the oral argument, it is found that [i] many athletic shoes bear trademarks on the sides of the shoe top (in many cases, however, because of the shoe structure, only figures such as the three stripes indicated in the Cited Trademark 23 are marked without a logo of characters), [ii] when a trademark is so displayed, the top of the trademark overlaps with the eyelet stay and its bottom overlaps with the joint between the shoe sole and the shoe top, so it is hard to visually recognize the top and bottom parts of the trademark, and [iii] when a quadruple-line trademark is displayed on the sides of the shoe top, if the four lines and the three blank spaces between them are colored differently (an example is sneakers sold by the defendant as indicated in Exhibit Ko 121), it is possible in some cases that either the four lines or the three blank spaces give a stronger impression than the other (hence the design may look like either a quadruple line or triple line) or both are simply confused visually.

(3) Holdings

A. According to the facts found in (2).B above, the Three-Stripe Trademark (a trademark whose main feature without regard to minor design differences is a triple line) displayed as side lines on both sides of the top of athletic shoes (between the shoe

sole and the eyelet stay) was well known among traders and consumers in Japan as a distinctive feature of adidas athletic shoes as of May 25, 2005, when the registration of the Trademark was applied for, and as of October 28 of the same year, when a decision to register was rendered, to the extent that a triple-line trademark or the Three-Stripe Trademark was easily associated with adidas goods, regardless of whether the term "three stripes" was regularly used among consumers. Specific presentations of the Three-Stripe Trademark vary according to when and on what products it was used, in terms of the stripes' length, width, intervals, angle of inclination, the shape of the contour lines, and other design details; however, these minor differences should be regarded as being not so significant as to give observers a different image than the three stripes which are the basic element of the Three-Stripe Trademark.

B. As discussed in (2).A above, the Trademark is composed of four elongated trapezoidal stripes. Among the designated goods "Footwear (other than special shoes for athletic use) and special shoes for athletic use," many athletic shoes bear trademarks on the sides of the shoe top, as found in (2).C above, and if a trademark is so displayed, it is hard to visually recognize the structures of its top and bottom parts. It also is possible in some cases that the design of the four lines and the three blank spaces between them is taken either as a quadruple line or triple line, in which case the trademark may not be distinguishable from structures like those indicated in the reference figures (Sections 11a and 11b of the Attachment).

And, upon the further analysis from different viewpoints of how much a quadruple-line trademark and the Three-Stripe Trademark are different from each other, it is found that with regard to cases regarding quadruple-line trademarks composed of slightly tilt trapezoidal figures of different lengths arranged at regular intervals in parallel to each other (one case claiming a white quadruple line that is similar to the graphical parts of the Cited Trademarks 1 and 2, and three cases claiming black quadruple lines), the JPO found that they were likely to be confused with goods related to the business of adidas and thus Article 4, paragraph (1), item (xv) of the Trademark Act applied, and its trial decisions to invalidate registration or decisions to revoke registration became final and binding (Exhibits Ko 93-1, 93-2, 94, 122 through 127).

Then, traders and consumers who come across the Trademark displayed on the sides of the top of athletic shoes may have difficulty in visually recognizing the top and bottom parts of the Trademark or may perceive the Trademark not as a trademark of four elongated stripes, but as one of three stripes, which are in fact the blank spaces between the stripes, and they will associate these three stripes with the well-known Three-Stripe Trademark of adidas. Furthermore, the differences between the

quadruple-line trademark and the Three-Stripe Trademark cannot be regarded as significant distinctive features when the trademark is displayed on the sides of a shoe top.

In addition, it is true that the Trademark is different from the Cited Trademarks not only in that it is a quadruple-line trademark, but also in that it is composed of two stitch-like patterns displayed along each of the mutually facing longitudinal lines of trapezoidal figures, and many small round dots displayed at regular intervals between them; however, given the fact that there are many athletic shoes bearing adidas's Three-Stripe Trademark which have two stitch-like patterns along, and inside of, the two mutually facing longitudinal lines of each stripe of the Three-Stripe Trademark displayed on both sides of the shoe top (these patterns look like seams incidental to the displaying of a trademark on the sides of the shoe top) and that some even have a pattern of many punched holes (small round holes) arranged right between the three stripes or in the middle of each stripe, linearly along the stripes, the "two stitch-like patterns" and the "large number of small round dots" of the Trademark cannot be considered to fulfill a remarkable source identification function in the structure of the Trademark.

C. Based on the discussions above, simply discussing how much the Trademark and the Cited Trademarks are visually alike or different from each other is not sufficient; given the impressions received from the Trademark and each of the Cited Trademarks (well-known trademarks of adidas) as they are actually structured, and the actual state of transactions of the designated goods for which these trademarks are used, it is found that when the Trademark is used on designated goods "Footwear (other than special shoes for athletic use) and special shoes for athletic use," the traders and consumers would possibly mistake such goods for those related to the business of adidas.

Therefore, because the Trademark falls under Article 4, paragraph (1), item (xv) of the Trademark Act and the Ground for Rescission No. 1 asserted by the plaintiffs is well-grounded, the Trial Decision should be rescinded for its illegality and it is unnecessary to examine any other points.

2. Conclusion

Therefore, the Trial Decision shall be rescinded as stated in the main text.

Intellectual Property High Court, Third Division

Presiding Judge

SHIBATA Toshifumi

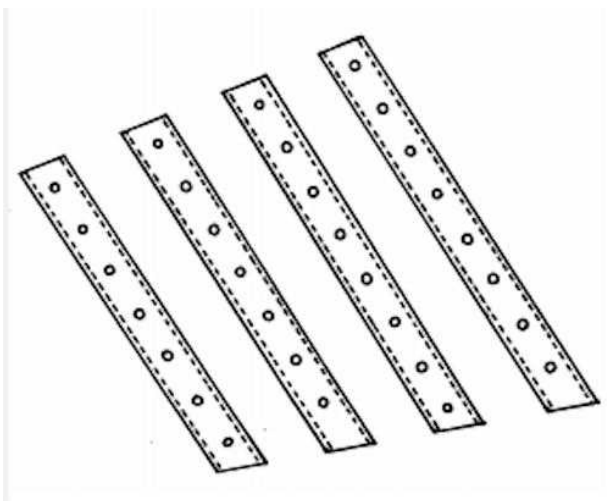
Judge

OKAMOTO Gaku

Judge

TAKEMIYA Eiko

(Attachment)
1 (Trademark)



2 (Cited Trademarks 1 and 2)



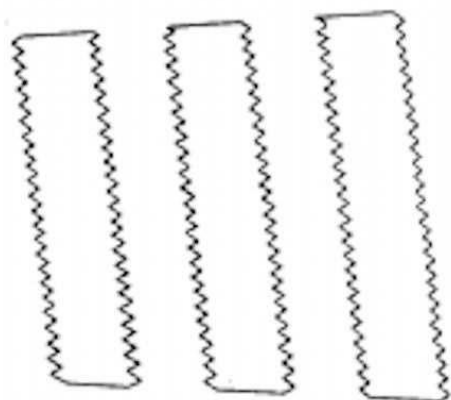
3 (Cited Trademarks 3 through 6)



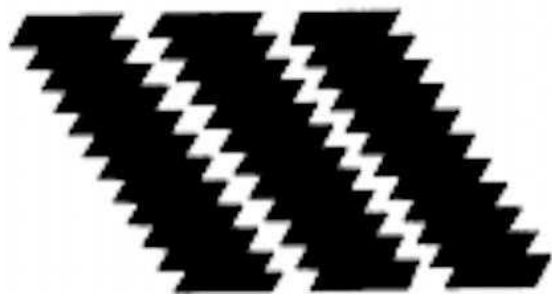
4 (Cited Trademarks 7 through 10)



5 (Cited Trademarks 11 through 13)



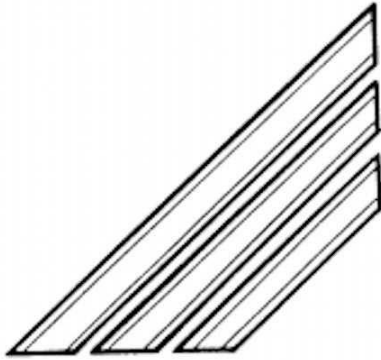
6 (Cited Trademarks 14 and 15)



7 (Cited Trademarks 16 and 17)



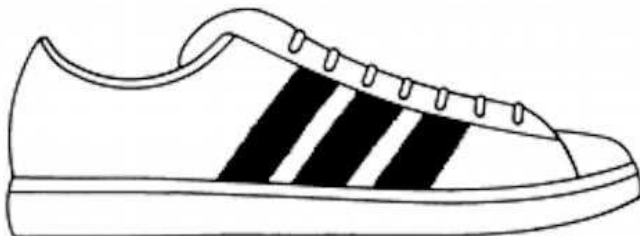
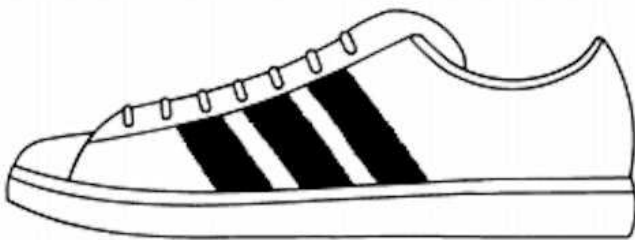
8 (Cited Trademark 18)



9 (Cited Trademarks 19 through 22)

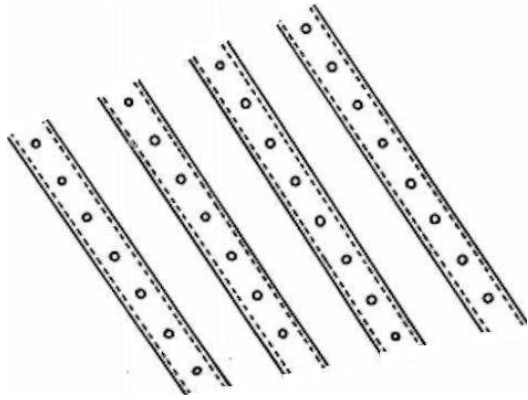
THE BRAND WITH THE 3 STRIPES

10 (Cited Trademark 23 [three-dimensional trademark])



11 (Reference figures)

a



b

