Trial Decision

Invalidation No. 2012-890054

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The case of trial for invalidation of trademark registration for Trademark Registration No. 5494262 between the parties above has resulted in the following trial decision.

Conclusion

The trial of the case was groundless.

The costs in connection with the trial shall be borne by the demandant.

Reason

No. 1 The Trademark

The trademark with Trademark Registration No. 5494262 (referred to as "the Trademark" below) is configured as indicated in the Attachment (1), and the application for its registration was filed on November 11, 2011. The decision for registration was made on April 23, 2012 by setting Class No. 1 "water for industrial purposes; nitrogen compounds; surface-active agents [surfactants]; chemical agents; other chemicals; artificial sweeteners" and Class No. 3 "soaps and detergents; dentifrices; cosmetics; aromatic oil; essential oil; natural perfumery prepared from vegetables; natural perfumery prepared from animals; synthetic perfumery; blended perfumery; food flavorings prepared from essential oils; incense; abrasive paper [sandpaper]; abrasive

cloth; abrasive sand; artificial pumice stone; polishing paper; polishing cloths; false nails; false eyelashes;" as the designated goods, and the trademark was registered on May 18 of the same year.

No. 2 Cited Trademarks

The trademark registrations cited by the demandant as the reasons for invalidation of registration of the Trademark are as indicated below in 1 to 3, and both of these trademark registrations are currently still valid.

1. The trademark of Trademark Registration No. 5408589 (hereinafter referred to as "Cited Trademark 1") consists of the Alphabetic characters, "RAFFINE", in standard characters, and the application for its registration was filed on November 2, 2010, and the trademark was registered on April 22, 2011 with designated goods of Class No.3, Class No.8, Class No.21, and Class No.26 as specified in the Trademark Registry, including "Cosmetics" of Class No.3.

2. The trademark of Trademark Registration No. 5411218 (hereinafter referred to as "Cited Trademark 2") consists of the Alphabetic characters , "RAffINE", in standard characters, and the application for its registration was filed on August 24, 2010, and the trademark was registered on May 13, 2011 with designated goods of Class No.3 "Cosmetics; false nails; false eyelashes".

3. The trademark of Trademark Registration No. 5431315 (hereinafter referred to as "Cited Trademark 3"), as per Attachment 2, consists of the Alphabetic characters, "RAffINE", in which the letter part, "ff", is slightly stylized, and the application for its registration was filed on February 4, 2011, and he trademark was registered on August 12, 2011 with designated goods of Class No.3, Class No.8, Class No.21, and Class No.26 as specified in the Trademark Registry, including "Cosmetics" of Class No.3.

The Cited Trademark 1, Cited Trademark 2, and Cited Trademark 3 are hereinafter collectively referred to as "Cited Trademarks".

No. 3 The demandant's allegation

The demandant requested a trial decision in which, in regards to the designated goods for the Trademark, the registration of "cosmetics" in Class No.3 shall be invalidated, and the costs in connection with the trial shall be borne by the demandee. The demandant summarized and stated the reasons for request as follows, and submitted Exhibits A No. 1 to A No. 16 (including branch numbers) as means of evidence.

1 Similarity between the Trademark and Cited Trademarks

(1) Pronunciation, meaning, and appearance of the Trademark

The Trademark consists of the alphabet characters, "Raffine", written horizontally in the upper section of its two-tiered character strings, and the alphabet characters, "Style", written horizontally in the lower section of the configuration along with the figure of a circle. The said letters, "Raffine", produce the same pronunciation of "raffine" as the Cited Trademarks. With the letters, "Style", in the lower section producing the pronunciation of "style", the entire trademark produces the pronunciation of "raffine-style". In appearance, the Trademark consists of a letter part, "Raffine", in the upper section and a letter part, "Style", in the lower section, and it cannot be said that the two letter parts exist as a series and one block, but instead, the two letter parts obviously exist separately. As such, one would acknowledge only the letter part,

"Raffine", as an independent presence, and therefore, it can be said that, when an onlooker observes the trademark, the part, "Raffine", in the upper section is the first part that would be acknowledged first.

Furthermore, the part, "Raffine", in the upper section is an English or French adjective meaning "refined or sophisticated". The part, "Style", in the lower section is an English noun meaning "style, type, lifestyle", among others. In regards to the Trademark, with cosmetics among its designated goods, it can be said that the "Style" in the lower section does not have any particular meaning, and that the part, "Raffine", in the upper section has a special meaning creating an impression on products.

As described above, it is believed that the letter part, "Raffine", in the upper section is the primary part of the Trademark, giving strong distinctiveness to the products, which bear the Trademark, from other products.

(2) Pronunciations, meaning, and appearances of Cited Trademarks

Cited Trademark 1 consists of the alphabet characters, "RAFFINE", in standard characters, Cited Trademark 2 consists of the alphabet characters, "RAffINE", in standard characters, and Cited Trademark 3 consists of the letters, "RAffINE", as indicated in Attachment 2. Cited Trademarks produce the pronunciation, "raffine", in correspondence to the letters of the respective marks. The part, "RAFFINE", is an English or French adjective meaning "refined or sophisticated", and it has a special meaning creating an impression on the designated goods. The alphabet characters of Cited Trademark 1 are all in capital letters. In Cited Trademark 2, the letter part, "ff", is in small letters, with the remaining letters entirely in capital letters. In Cited Trademark 3, the alphabet characters are as indicated in Attachment 2, with the letter part, "ff", slightly stylized and configured in a way that is slightly taller than the remaining letters.

(3) Similarity of the Trademark and Cited Trademarks

As described above, the entirety of the Trademark produces the pronunciation, "raffine-style". In addition, the primary part, "Raffine", in the upper section, also produces the pronunciation, "raffine", and furthermore, the primary part, "Raffine", has the meaning of "refined or sophisticated".

On the other hand, Cited Trademarks produce the pronunciation, "raffine", from the respective configurations, and have the meaning, "refined or sophisticated". In addition, the primary part, "Raffine", of the Trademark has the same spelling as the alphabet characters used in Cited Trademarks.

While in the primary part of the Trademark, the capitalized part is only the first one letter, "R", the Cited Trademarks differ from the Trademark only with respect to the following point: Of the seven letters of the respective configurations, Cited Trademark 1 indicates all letters using capital letters, and Cited Trademark 2 and Cited Trademark 3 use capital letters for the first two letters, "RA", and the last three letters, "INE". Furthermore, while in Cited Trademark 3, the letter part, "ff", is slightly stylized and is configured in a way that is slightly taller than the remaining letters, it can be said that the said letter part is configured as a series and one block in combination with the remaining letters. Next, while the Trademark has the color of green, it cannot be acknowledged that, compared to the Cited Trademarks that are written in black, the difference in color makes the difference in appearance prominent. As such, it should be said that the primary part of the Trademark and the Cited Trademarks are confusing in appearance as well.

Accordingly, it should be said that the Trademark and the Cited Trademarks are

similar in pronunciation, meaning, and appearance.

2 Similarity between the Trademark and the demandant's cosmetics brand, "RAffINE"
(1) Pronunciation and meaning of the demandant's cosmetics brand, "RAffINE"

The demandant's cosmetics brand, "RAffINE", produces the pronunciation, "raffine". The term, "RAffINE", is an English or French adjective meaning "refined or sophisticated", and gives a special meaning to the products covered by the demandant's cosmetics brand.

(2) Similarity between the Trademark and the demandant's cosmetics brand, "RAffINE"

As described above, the entirety of the Trademark produces the pronunciation, "raffine-style", and the primary part, "Raffine", in the upper section also produces the pronunciation, "raffine". In addition, the part, "Raffine", which is the primary part of the Trademark, has the meaning, "refined or sophisticated".

On the other hand, the demandant's cosmetics brand, "RAffINE", produces the pronunciation, "raffine", and has the meaning, "refined or sophisticated".

As such, the part, "Raffine", or the primary part of the Trademark, and the demandant's cosmetics brand, "RAffINE", produce the same pronunciation and meaning.

Accordingly, it should be said that the Trademark is similar to the demandant's cosmetics brand, "RAffINE", in pronunciation and meaning.

3. Fame and prominence of the demandant's cosmetics brand, "RAffINE"

As of April 2012, the demandant operates 17 stores across Japan (Exhibit A No. 11-1) and sells cosmetics bearing the name, "RAffINE". Also, the demandant sells its products on its online shopping site (Exhibit A No. 11-2), as well as on Yahoo and Rakuten shopping sites (Exhibit A No. 11-3). The demandant also continuously advertises its products and engages in the promotion of product sales through TV broadcast on 70 stations nationwide and over 120 types of paper ads (Exhibit A No. 11-4).

As a result of the demandant's marketing efforts described above, products under the cosmetics brand, "RAffINE", drove sales volume. According to the "Cosmetics Marketing Directory 2011 No. 1" (Fuji Keizai Co., Ltd.), in the cosmetic moisturizer division during 2008 to 2011, the demandant's product ranked third in the share by manufacturers, and the brand, "RAffINE", ranked second in the share by brands (Exhibit A No. 11-5). In addition, the demandant was awarded several times for its Rakuten shopping site (Exhibit A No. 11-6). Furthermore, the number of access to the demandant's site for product sales has significantly increased in recent years, indicating that the awareness of the demandant's company and brand products is increasing even more (Exhibit A No. 11-7).

As described above, it is believed that the demandant's cosmetics brand, "RAffINE", is widely recognized among consumers as representing the cosmetics brand under which the demandant sells its products.

4 Article 4(1)(xi) of the Trademark Act

The Trademark has the letters, "Raffine", in the upper section of its configuration, and these letters have the same pronunciation as Cited Trademarks. The part, "Raffine", constitutes the primary part of the Trademark. As such, as described in 1 above, the pronunciation, meaning, and appearance of the Trademark are similar to the

pronunciations, meaning, and appearances of Cited Trademarks. Also, designated goods for the Trademark include "cosmetics, false nails, false eyelashes" of Class No.3, and designated goods for Cited Trademarks also include "cosmetics, false nails, false eyelashes" of Class No.3.

As such, designated goods for the Trademark are the same as or identical with designated goods for Cited Trademarks.

Accordingly, the Trademark falls under Article 4(1)(xi) of the Trademark Act.

5 Article 4(1)(xv) of the Trademark Act

(1) Judgment criteria under Article 4(1)(xv) and Article 4(1)(xv) of Trademark Act

The risk of the Trademark creating confusion of sources in connection with how the demandant's cosmetics brand, "RAffINE", is shown, shall be considered below pursuant to the judgment criteria held in the Supreme Court Rulings (Exhibit A No. 12 and A No. 13).

(2) Level of similarity between the Trademark and the demandant's cosmetics brand, RAffINE"

As described in 1 above, the primary part of the Trademark is the part, "Raffine", in the upper section of the configuration. The primary part of the Trademark produces the pronunciation, "raffine", and it has the meaning, "refined or sophisticated".

On the other hand, the demandant's cosmetics brand, "RAffINE", produces the pronunciation, "raffine", and has the meaning, "refined or sophisticated".

As such, the part, "Raffine", which is the primary part of the Trademark, and the demandant's cosmetics brand, "RAffINE", share the same pronunciation and meaning.

Accordingly, it should be said that the Trademark is similar to the demandant's cosmetics brand, "RAffINE".

(3) Fame and prominence of the demandant's cosmetics brand, "RAffINE"

As described in 3 above, the demandant's cosmetics brand, "RAffINE", is widely recognized among consumers as representing the cosmetics brand under which the demandant sells its products.

(4) Association between products, and similarities of traders and consumers

Designated goods for the Trademark include "cosmetics" of Class No.3. On the other hand, the demandant operates its brand of cosmetics bearing the name, "RAffINE", and sells various products in shops and online shopping sites, including the demandant's own Internet homepage.

"Cosmetics" as used herein include a wide variety of product lines according to the preferences of consumers and the parts of the bodies where the products are used. In any case, these products are the same in the point that they are purchased and used for the purpose of "cleansing bodies and beautifying appearances". Also, consumers for the designated goods of the Trademark and the cosmetics sold by the demandant are the general consumers who are mostly women, and thus the designated goods of the Trademark and the demandant's cosmetics target the same consumers. Furthermore, the places where these products are sold are shops and on the Internet, and thus the places of sales are also the same.

In light of the above, the cosmetics and toiletries that are included in the designated goods of the Trademark and the products pertaining to the demandant's business are very closely related to each other.

(5) Whether or not the trademark is "likely to cause confusion"

As described above, when the fact that the Trademark and the demandant's cosmetics brand, "RAffINE", are similar, and the fact that "RAffINE" is widely recognized by consumers as representing the cosmetics brand under which the demandant's products are sold, and the fact that the cosmetics, which are part of the designated goods for the Trademark, are very closely related to the products pertaining to the demandant's business, are comprehensively taken into account, it can be said that if the demandee uses the Trademark for the designated goods, "cosmetics", traders or consumers who come into contact with such use has a risk of bringing up the image of the demandant's cosmetics brand, and mistakenly thinking that the product concerned is handled by someone who is somehow associated with the demandant, therefore experiencing confusion as to the source of the product concerned.

Accordingly, the Trademark falls under Article 4(1)(xv) of the Trademark Act.

6 Article 4(1)(xix) of the Trademark Act

(1) Well-known and prominence of the demandant's cosmetics brand, "RAffINE"

As described in 3 above, it is believed that the demandant's cosmetics brand, "RAffINE", is widely recognized among consumers in Japan as representing the cosmetics brand under which the demandant's products are sold, at the time of filing of an application for registration and at the time of upon the decision for registration of the Trademark.

Accordingly, the demandant's cosmetics brand, "RAffINE", falls under "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" as stipulated in Article 4(1)(xix) of Trademark Act.

(2) Level of similarity between the Trademark and the demandant's cosmetics brand, "RAffINE"

As described in 5(2) above, it should be said that the Trademark is similar to the demandant's cosmetics brand, "RAffINE".

(3) "Unfair purposes" of the demandee

Specific cases in which "unfair purposes" are possible in connection with Article 4(1)(xix) of Trademark Act include the "case in which an application is filed for a trademark which is identical or similar to a well-known trademark in Japan, without going so far as to pose the risk of creating confusion of the sources but with the purpose of diluting the function of showing the sources or of defamation", and "other cases in which an application is filed for a well-known trademark in Japan or overseas with unfair purposes that are in violation of the principles of good faith" (Exhibit A No. 14).

In this regard, the demandee received on September 29, 2011, which is prior to the filing of the application for the Trademark, a warning letter from the demandant in a content-certified mail (Exhibit A No. 9).

The warning letter indicates that the demandee places a trademark, which includes the letters, "Raffine", on a gel-type cosmetics product which the demandee sells in stores and in its mail-order business, and that the said act falls under violation of the rights held by the demandant for Cited Trademarks. The same warning letter requests for discontinuation of the sale and advertisement of the product concerned. In light of these facts, it is obvious that the demandee was already aware of the existence of the Cited Trademarks prior to filing the application for the Trademark. Furthermore, in light of the background that the demandee filed the application for the Trademark,

which includes the letters, "Raffine", by designating the goods, "cosmetics", in spite of receiving the warning letter, one can presume that the demandee had focused on the point that the demandant's cosmetics brand, "RAffINE", was widely recognized among consumers, and had the purpose of making unfair profits by taking advantage of the fame and prominence of the demandant's cosmetics brand. Furthermore, it is highly likely that the demandee filed the application for the Trademark with the purpose of diluting the power which the demandant's cosmetics brand has of attracting customers as well as of the distinctiveness of the demandant's cosmetics brand, or with the purpose of interfering with the demandant's business.

Accordingly, it should be said that the use of the Trademark by the demandee for the designated goods, "cosmetics", falls under the "use for unfair purposes" as stipulated in Article 4(1)(xix). It is needless to mention that these unfair purposes existed at the time of the filing of the application as well as at the time of the decision for registration for the Trademark.

(4) Conclusion

As described above, the Trademark falls under Article 4(1)(xix) of Trademark Act because it is similar to, and has the same pronunciation and meaning as, the demandant's trademark for its cosmetics brand, "RAffINE", which is widely recognized among consumers in Japan as representing the source of the products pertaining to the demandant's business at the time of filing the application as well as at the time of the decision for registration for the Trademark, and because use of the Trademark is therefore based on unfair purposes.

7 Article 4(1)(vii) of Trademark Act

(1) Interpretation of a "trademark liable contravention on public order or morality"

Article 4(1)(vii) of Trademark Act stipulates that a trademark that liable contravention on public order or morality cannot be granted registration for a trademark. If the process of filing of an application for a trademark involves socially unacceptable circumstances, or if it is obvious that the application was filed with unfair purposes, approval of a trademark registration which was obtained as a result in spite of such circumstances is determined as liable contravention on public order or morality, including disrupting the distribution order of the product, and such trademark is subjected to elimination under Article 4(1)(vii) of Trademark Act.

(2) Applicability of the Trademark under Article 4(1)(vii) of Trademark Act

On November 10, 2011, which is one day before the demandee filed the application for the Trademark, the demandee received a notice from the JPO for its Trademark Application No. 2011-55832 concerning submission of publications and the like (Exhibit A No. 10). The notice indicated Cited Trademarks as references for the reason of refusal of Trademark Application No. 2011-55832 pursuant to Article 4(1)(xi) of Trademark Act, and at a later date, a notice of reasons for refusal was issued concerning the same matter (Evidence A No. 16). The trademark of Trademark Application No. 2011-55832 is a two-tier configuration with the alphabet characters, "Nail Raffine", in the upper section and the katakana characters, "ネイルラフィネ (nail raffine)", written horizontally in the lower section, and thus contains the same letters, "Raffine", as the Trademark. The designated goods include "cosmetics" in Class No.3.

More specifically, the demandee filed the application for the Trademark on November 11, 2011, which is the next day of the day when the demandee became aware

of the possibility that Trademark Application No. 2011-55832 may be refused due to the reference to the Cited Trademarks. In other words, it is obvious that the demandee was aware of the existence of the Cited Trademarks when filing the application for the Trademark.

Also, the demandee sells "cosmetics" that are covered by the designated goods for the Trademark by using a trademark (banner advertising) that is similar to the Trademark. The third section of this banner advertising has the writing, "ラフィネの通販サイト (raffine's online shopping site)", and by taking into consideration the fact that the letter part, "通販サイト (online shopping site)", merely indicates the quality of service being provided, it is natural to consider that the general consumer will acknowledge and expect, the character part, "ラフィネ (raffine)", as having some relevance to the demandant's cosmetics brand, "RAffINE", of the present trial. In other words, the demandee's act of using the trademark, which is similar to the Trademark, in the designated goods, "cosmetics", may create misunderstanding and confusion with the demandant's cosmetics brand, and since it can be presumed that there was the purpose of luring the customers of the demandant's cosmetics brand to the demandee's own products in order to make unfair profits, it is believed that such use constitutes unfair use of a trademark.

Furthermore, the demandee took actions, as described in the cases below, which created misunderstanding and confusion with the products that pertain to the business of another person.

In the first case involving Trademark Application No. 2009-58231, the demandee filed an application for a trademark having a two-tier configuration with the alphabet characters, "Raffine", written horizontally in the upper section and the katakana characters, "ラフィネクラブ (raffine club)", in the lower section along with the alphabet characters, "Club", in italic, and with the designated goods covering "cosmetics" of Class No.3. A notice of reasons for refusal under Article 4(1)(xi) of Trademark Act was issued for this application. The demandee, in spite of indicating its intention to submit a written opinion by written statement, and receiving a request by the JPO to submit a written opinion, did not submit a written opinion in the end, and thus the decision of refusal was made final and binding for the application. During the application process, the demandee used the same trademark for cosmetics, and it is presumed that a series of acts involved therein had the purpose of prolonging the finalization of the decision of refusal. In addition, the demandee continued with the act of using the trademark, and the demandee stopped with such use only when the demandee received a warning based on the Cited Trademark of the demandant (Evidence A No. 9).

The next case involves Trademark Application No. 2011-55832. Although the following overlaps with what is described at the beginning of this section, a notice of reasons for refusal under Article 4(1)(xi) of Trademark Act was issued for this trademark application, with reference to the demandant's Cited Trademarks. Like in the first case, the demandee expressed its intention to submit a written opinion by written statement to the JPO, and still continues to use the same trademark for cosmetics. While the decision of refusal has not been made for the trademark concerned, there is no other way than to say that the demandee's use of the trademark concerned for the cosmetics create misunderstanding and confusion with the demandant's cosmetics brand.

As described in the two cases above, it is believed that the demandee's acts

involving the filing of an application and the process that follows fall under unfair use of a trademark and creates misunderstanding and confusion with products that pertain to the business of another person, and thus constitute disruption of the order of fair competition.

Furthermore, the act of filing the application for the Trademark was taken in order to obtain registration for the Trademark, which includes the letters, "Raffine", as an alternative to the case of refusal of Trademark Application No. 2011-55832. As such, the application for the Trademark was filed merely to escape the refusal of a trademark containing "Raffine", and thus the application process involves socially unacceptable circumstances. As described in 6 above, it is presumed that the demandee was aware of the existence of the demandant's cosmetics brand as well as the well-known and prominence thereof, and thus it is obvious that the act of filing the application for the Trademark was based on unfair purposes, with the full awareness of the social credibility and goodwill that are embodied in the demandant's trademark, and using the same for the demandee's own interests.

As such, it can be said that, if the Trademark remains registered in spite of such circumstances, there is liable contravention on public order or morality, including the distribution order of products.

Accordingly, it is believed that the Trademark is in violation of the order of fair competition and thus falls under Article 4(1)(vii) of Trademark Act as a "trademark liable contravention on public order or morality".

8 Closing

As described above, the registration of the Trademark should be invalidated under Article 46(1)(i) of Trademark Act in regards to the designated goods, Class 3 "cosmetics" of Class No.3, because of the applicability of Article 4(1)(xi), Article 4(1)(xv), Article 4(1)(xix), and Article 4(1)(vii) of Trademark Act.

No. 4 The demandee's reply

The demandee replied that it seeks for a trial over what is stated in the conclusion by explaining the reasons, as outlined below, and submitted Exhibits B No. 1 to No. 8 (including branch numbers) as means of evidence.

1 Violation of Article 4(1)(xi) of Trademark Act

The demandant claims that, in the Trademark, which has a two-tier configuration of "Raffine" and "Style", with the part, "Style", having no special meaning in relation to the designated goods, "cosmetics and toiletries", the upper section, "Raffine", constitutes the primary part of the Trademark, and that this primary part is similar to Cited Trademarks in pronunciation, meaning, and appearance.

However, as the demandant also pointed out, the term, "Raffine", is a French word with the meaning, "refined or sophisticated", and the term, "Style", is a word with the meaning, "method of expression, lifestyle, manner of living", among others. When these two terms are combined to create the phrase, "Raffine Style", it implies the meaning of "refined or sophisticated expression, lifestyle, or manner of living", causing an onlooker to have a certain meaning upon viewing the phrase. Furthermore, this meaning does not, in any way, provide a feeling of strangeness in connection with the designated goods, "cosmetics". In the case of the Cited Trademarks, which consist of merely the letters, "RAFFINE", they only have the meaning of "refined or

sophisticated". As such, if such trademark is used for the designated goods, "cosmetics", then it can only generate the meaning of "refined and sophisticated cosmetics" to an onlooker who views the mark. On the other hand, when the Trademark is used for the designated goods, "cosmetics", it generates the meaning, "refined or sophisticated expression, lifestyle, or manner of living", and gives the impression that, compared to the use of only the letters, "Raffine", the mark contributes to the style of the whole life instead of being confined to products such as cosmetics, themselves. As such, it should be said that the Trademark is not similar to the Cited Trademarks in meaning.

Combined with the non-similarity of meaning, even if the letter part of the Trademark were to consist of two-tier character strings, the Trademark is still well-organized as a whole, and can be viewed in a unified manner. As such, the pronunciation generating from the trademark is "raffine-style", and it should be said the Trademark hardly has the pronunciation, "raffine", with the focus placed only on the part, "Raffine". In commercial transactions, it is commonsensical to apply the pronunciation, "raffine-style", rather than "raffine", and thus the Trademark is not similar to Cited Trademarks even in pronunciation, and as for the appearance, the Trademark is obviously not similar to the Cited Trademarks at first glance.

As described above, the Trademark is not similar to Cited Trademarks, and Article 4(1)(xi) of Trademark Act is not applicable.

The demandee owns Prior Trademarks 1 to 3 (Exhibits B No. 1 to B No. 3) for the designated goods, "cosmetics", in addition to the Trademark, and applications for all of the Cited Trademarks were filed after the demandee's Prior Trademarks 1 to 3. The Cited Trademarks were granted registration in spite of the existence of the prior trademarks, and this is an indication of the judgment of non-similarity between the parts, "Raffine Style" and "RAFFINE". If, as the demandant claims, the letter part, "Style", does not have distinctiveness, the demandant's Cited Trademarks should have been refused based on the judgment of similarity between the Cited Trademarks and the demandee's Prior Trademarks 1 to 3, and the fact that such judgment was not rendered is because the letters, "Raffine Style", were created as a unit, generating the meaning and pronunciation that are different from those of "RAFFINE". The Trademark and Prior Trademark 2 are different in that the former consists of a one-tier character string and the latter consists of two-tier character strings. Under generally accepted perspective, however, the two trademarks should be regarded as the same, which an onlooker would view as well-organized and unified marks, and the pronunciation generating from the marks still being "raffine-style".

The Trademark is not similar to Cited Trademarks, and thus Article 4(1)(xi) of Trademark Act is not applicable.

2 Violation of Article 4(1)(xv) of Trademark Act

The demandant's claim is based on the precondition that the Trademark and the Cited Trademarks, which are held by the demandant, are similar. As described above, however, it is clear that the Trademark and the Cited Trademarks are not similar to each other. As such, in the case where the precondition is not established, the demandant's claim is groundless.

Also, the demandant claims that the demandant's cosmetics brand, "RAffINE", is widely recognized among consumers, but there is no evidence to support the claim that the cosmetics brand, "RAffINE", in itself is widely recognized among consumers.

The demandant mostly uses the trademarks, "Perfect One/RAffINE" and "ラフィネパーフェクトワン (raffine perfect one)", and none of the demandant's trademarks consists of only the letters, "RAffINE" (Exhibit A No. 11-2), or the like. Also, when we look at Exhibit A No. 11-3, which is submitted as Yahoo and Rakuten shopping sites, the sites contain only the product name, "ラフィネパーフェクトワン (raffine perfect one)", and there is no product bearing the name, "RAffINE", or the like. The demandant claims that Exhibit A No. 11-5 shows that, in the cosmetic moisturizer division, the demandant's product is ranked third in the share by manufacturers, and second in the share by brands. Descriptions on the exhibit, however, indicate the product name, or brand, as "ラフィネパーフェクトワン (raffine perfect one)" instead of "RAffINE". As such, the award was given to the Rakuten shopping site for the brand name of "ラフィネパーフェクトワン (raffine perfect one)" instead of "RAffINE" (Exhibit A No. 11-6).

The trademark which is actually used by the demandant itself is "ラフィネパーフェクトワン (raffine perfect one)" instead of "RAffINE". The demandant uses the trademarks, "ラフィネパーフェクトワン (raffine perfect one)" and "パーフェクトワン (perfect one)", in recent, full-page newspaper advertisements (Exhibits B No. 4-1 to B No. 4-4).

A trademark which would be widely known among consumers as a result of such advertisement/sales activities is "ラフィネパーフェクトワン (raffine perfect one)", or rather, only the part, "パーフェクトワン (perfect one)". As such, the claim that the part, "RAffINE", has acquired fame in itself is unfounded.

In any case, since the Trademark and Cited Trademarks are not similar, the Trademark is obviously distinguishable in a place of commerce by traders and consumers from "RAffINE", which the demandant claims is the demandant's cosmetics brand, and there is no likelihood to cause a risk of confusion about the sources. The Trademark does not fall under Article 4(1)(xv) of Trademark Act.

3 Violation of Article 4(1)(xix) of Trademark Act

The demandant claims that, based on a content-certified mail (Exhibit A No. 9) dated September 29, 2011, the demandee was obviously aware of the existence of the Cited Trademarks and the cosmetic brand of the demandant, and that, for this reason, it is presumed that the demandant's act of using the Trademark on cosmetics and toiletries is based on unfair purposes.

The Trademark, which is used by the demandee, and the Prior Trademark 2 (Trademark Registration No. 5364256) are both not similar to the demandant's Cited Trademarks, and also not similar to "RAffINE", which the demandant claims is the demandant's cosmetics brand.

In order to apply Article 4(1)(xix) of Trademark Act, the existence of "trademark which is well known among consumers in Japan or abroad as that indicating goods or services connected with another person's business" is necessary, but as already stated earlier, no evidence has been submitted to indicate that "RAffINE", which the demandant claims is the demandant's cosmetics brand, is in itself widely recognized among consumers.

The demandant claims that, based on a content-certified mail (Exhibit A No. 9) dated September 29, 2011, the demandee was obviously aware of the existence of the

Cited Trademarks and the cosmetic brand of the demandant, and that, for this reason, the demandant's act of using the Trademark on cosmetics is based on unfair purposes. Now the question is, why does the mere fact that the demandee was aware of the existence of the Cited Trademarks and the cosmetics brand of the demandant constitute the demandee's use of the Trademark based on "unfair purposes"? This argument has a wild leap of logic.

The demandee was granted registration for the Prior Trademarks 1 to 3 before the applications were filed for the Cited Trademarks. While it can be said that the Cited Trademark 2 is the same trademark as the Trademark under generally accepted perspective, the application for the Trademark was filed based on a request for acquisition of a new right, and there was no "unfair purpose" involved.

The applications for Prior Trademarks 1 to 3 were filed, and registration granted, at least one year before the date of the content-certified mail (Exhibit A No. 9). Since the demandee was aware of the demandant's Cited Trademarks and cosmetics brand based on Exhibit A No. 9, the presumption that the use of the Trademark is based on "unfair purposes" cannot be accepted.

Accordingly, Article 4(1)(xix) of Trademark Act is not applicable.

4 Article 4(1)(vii) of Trademark Act

(1) The demandant's claim is based on the precondition that the Trademark is similar to the demandant's Cited Trademark 3 and cosmetics brand, "RAffINE". First of all, however, this precondition is groundless as described above.

(2) The demandant claims that the application for the Trademark was filed on the next day of the date of notification on November 10, 2011 by the JPO concerning submission of publications and the like (Exhibit A No. 10) for the Trademark Application No. 2011-55832 (Trademark "Nail Raffine/ネイルラフィネ (nail raffine)" filed by the demandee, and that the application for the Trademark was filed with the knowledge of the existence of the Cited Trademarks indicated on the written notice.

The notification concerning submission of publications and the like (Exhibit A No. 10) is merely a notice informing the recipient that information has been provided by way of a document for submission of publications and the like, and the content of the publications and the like having been submitted remains unknown until a request is made in order to view the content. The demandee requested for viewing the content on the "date of request for viewing: January 23, 2012", as indicated on page 1 of Evidence A No. 10, which is later than the date of delivery of a notice of reasons for refusal, December 22, 2011.

The fact that the date of filing the application for the Trademark happens to be the next day of the date of the notification concerning submission of publications and the like from the JPO, dated November 10, 2011, for the Trademark Application No. 2011-55832 (Trademark "Nail Raffine/ネイルラフィネ (nail raffine)", is merely coincidental. The application for the Trademark was not filed with the knowledge of the Cited Trademarks which would provide reasons for refusal of the Trademark Application No. 2011-55832.

From the beginning, the demandee has owned Prior Trademarks 1 to 3 for which applications were filed and registration granted before the demandant's Cited Trademarks. The Trademark is recognized as the same as the Prior Trademark 2 under generally accepted perspective, and in order to confirm that the right is ensured as a

manner of use of the Trademark, the application for the Trademark was filed by designating Class No.3, among others, and registration was granted. There was no intention of unfair use involved.
(3) The demandant claims that the demandee's act of using a trademark (banner advertising) that is similar to the Trademark on cosmetics as well as the processes of filing other applications in the past suggest that the demandee is believed to be involved in the unfair use of a trademark with the intention of causing misunderstanding and confusion with the products that pertain to the business of another person. As such, the demandant claims that the demandee is disrupting the order of fair competition.

The demandant demanded for a trial over the Prior Trademark 2 pursuant to the provisions of Article 53 of Trademark Act, and made basically the same claims (Revocation 2012-300347). Exhibits B No. 6 and No. 7 are copies of Exhibits A No. 5 and No. 6 which the demandant submitted during a trial for revocation of trademark registration (Revocation 2012-300347).

Exhibit B No. 6 indicates a homepage of BODYWORK Co., Ltd., a subsidiary under the demandee's control (http://www.bodywork.co.jp/). The homepage uses a banner advertisement, as shown in Exhibit B No. 6, with a link to the shopping site shown in Exhibit B No. 7. While the date of creation of Exhibit B No. 6 (Exhibit A No. 5 in Revocation 2012-300347) is unknown because there is no mention of the date of its acquisition, the most recent date of the "Topics" indicated on the site shows the date, April 12, 2012, suggesting that the homepage was created around that time. At the current moment, the banner which the demandant pointed out is not being used, but a different banner is being used (Exhibit B No. 8). As already mentioned above, the Trademark and the Prior Trademark 2 which are included in the banner dated April 2012 (Exhibit B No. 6) and the banner dated July 2012 (Exhibit B No. 8), are not similar to the Cited Trademarks 1 to 3.

The demandant claims that, in light of the fact that the third tier of the advertising banner indicates "ラフィネの通販サイト (raffine's online shopping site)", and the fact that the letter part, "通販サイト (online shopping site)", merely indicates the quality of service, it is natural that the general consumers acknowledges the part, "ラフィネ (raffine)", as referring to products that are related to the cosmetics brand, "RAffINE", of the demandant of the trial, and furthermore, that it is natural to arouse expectations for products that are related to the demandant's cosmetics brand, "RAffINE".

However, there is no mention of cosmetics anywhere on the homepage shown in Exhibit B No. 6 (Exhibit A No. 5 in Revocation 2012-300347) (nor in Exhibit B No. 8), and even if a purchaser may wander into this homepage, there is nothing on the homepage to suggest any products that are related to cosmetic.

Exhibits B No. 6 and B No. 8 indicate the top page of the demandee's subsidiary, BODYWORK Co., Ltd. As the words, "ハートフルリラクゼーション (heartful relaxation)", indicated in these exhibits suggest, the trademark user, BODYWORK Co., Ltd., provides services such as reflexology, body care, and massage.

The brand, "Raffine/ラフィネ (raffine)", was granted registration already in 2000, and has been widely known since. Under the same brand, the demandee, as the parent company of BODYWORK Co., Ltd., also provides teaching on reflexology, body care, and massage, among other things, and holds the trademark, "Raffine/ラフィ

ネ (raffine)" [pronunciation of the Japanese part: "Raffine"], as well as a number of related registered trademarks.

The demandee's subsidiary, BODYWORK Co., Ltd. has its shop, "ラフィネ (raffine)", operating nationwide, and the shop is widely known in the field of relaxation massage. This fact is easily found if searched online. As such, when one enters the homepage (Exhibits B No. 6 and B No. 8), it is natural for the person to immediately realize that the "ラフィネの通販サイト (raffine's online shopping site)", as per the banner advertising, is a shopping site operated by the massage and relaxation salon, "ラフィネ (raffine)", and to understand that the name of the shopping site is "Raffine Style" as indicated on the banner advertising. In fact, when one clicks on the banner advertising, the person is led to the shopping site of ラフィネスタイル (raffine style) as shown in Exhibit B No. 7 (Exhibit A No. 6 in Revocation 2012-30047). There is nothing to cause the misunderstanding that the name of the shopping site is "ラフィネ (raffine)".

In regards to whether or not the demandant's cosmetics brand, "RAffINE", has well-known and prominent in itself, no evidence has been submitted, as described above. It should be noted at least, however, that the Trademark did not take advantage of the demandant's cosmetics brand, "RAffINE". In order to operate the brand, "Raffine", which the demandee had built over the years, into a mail-order business, the demandee chose a trademark that would not be in conflict with prior trademark registrations (the Trademark and other trademarks for the brand, "Raffine Style"). There was no intention of diluting the Cited Trademarks or the cosmetic brand of the demandant, or of interfering with the demandant's business, and the use was not based on unfair purposes.

(4) The demandant states various matters concerning the processes of the demandee's previous applications, Trademark Application No. 2009-58231 and Trademark Application No. 2011-55832, but these matters are not relevant to the Trademark (Exhibit B No. 5).

(5) The demandant claims that the demandee's act of filing the application for the Trademark was intended to acquire a right for the Trademark, which includes the letters, "Raffine", as an alternative to the case of refusal of the Trademark Application No. 2011-55832 (Trademark: Nail Raffine/ネイルラフィネ (nail raffine)), and that the application process involves socially unacceptable circumstances.

As long as the demandee's Cited Trademarks and Prior Trademark, "ら・フィネ (ra fine or la fine)/LA FINE" (Trademark Registration No. 4753896) exist, the registration of the Trademark does not guarantee the sole use of the part, "Raffine". Although the demandant makes a claim as to the acquisition of the right as an alternative to the case of refusal, what, if any, can be used alternatively? Registration of the Trademark does not necessarily mean that the trademark, "Nail Raffine/ネイルラフィネ (nail raffine)", can be used as well. The use of a trademark, which, in its entirety, is not similar to the demandant's Cited Trademarks, is lawful. Use of only the part, "Raffine", creates obvious similarity with the Cited Trademarks, and thus this does not work as an alternative. The demandant's claim is nonsensical.

An attitude like that of the demandant, of trying to eliminate a trademark for the mere reason that it has the letters, "RAFFINE", based on the reason of the existence of Cited Trademarks such as "RAFFINE", in spite of the fact that there is obviously no similarity when the trademarks are seen in their entirety, is nothing but abusive use of

right, and is therefore against the order of fair competition. If the demandant continues to act in this manner, the demandant's Cited Trademarks, rather than the Trademark, would fall under the "a trademark which is likely to cause damage to public order or morality".

In any case, the Trademark does not fall under Article 4(1)(vii) of Trademark Act.

5 Closing

As described above, the Trademark is not similar to any of the demandant's Cited Trademarks, and does not fall under Article 4(1)(xi) of Trademark Act. , the Trademark does not fall under any of Article 4(1)(xv), Article 4(1)(xix), and Article 4(1)(vii) of Trademark Act. As such, since Article 46(1)(i) of Trademark Act is not applicable, we request for the decision that the trial of the case was groundless.

No. 5 Judgment by the body

1 Applicability of Article 4(1)(xi) of the Trademark Act

(1) The Trademark

As indicated in Attachment 1, the Trademark consists of large-sized, two-tier alphabet character strings of "Raffine" and "Style" written in green, as well as a circle, which is drawn in light green on the right side of the letters, and inside the circle, the letters, "We LOVE HEARTFUL RELAXATION", are written in green to form a circular contour shape, and furthermore, inside these letters, four hexagonal figures are drawn on the left, right, top, and bottom of a circle drawn at the center in green, and the four hexagonal figures are positioned in a manner to resemble the petals of a flower.

Next, the pronunciation generating from the character part of the Trademark, "Raffine-style-we-love-heartful-relaxation", is very long, and the letter parts, "Raffine" and "Style", which are in the same font, same size, and same color, are shown larger and more prominently than other letters, and thus it can be said that the Trademark has the pronunciation of "raffine-style" generating from the letter parts, "Raffine" and "Style", in addition to the above pronunciation generating from the entirety of the trademark.

Furthermore, the term (letters), "Raffine", comprising the trademark is a French word with the meaning, "refined or sophisticated", among others, and the term (letters), "Style", is an English or French word, with the meaning, "fashion, style, type, mode", among others, and in Japan, people are familiar with this word along with the Japanese equivalent for "style", as written in katakana characters, and thus the two words generate the meaning of "refined or sophisticated style, lifestyle", among others.

The letter parts, "Raffine" and "Style", are shown in the same font, same size, and same color in a unified manner as described above, and since it cannot be said that the letters, "Style", do not represent the quality of cosmetics, or the like, it is difficult to say that further separating the letter part, "Raffine", from the trademark would benefit in transactions.

(2) Cited Trademarks

Cited Trademark 1 consists of the alphabet characters, "RAFFINE", in standard letters, and Cited Trademark 2 consists of the alphabet characters, "RAffINE", in standard letters, and as indicated in Attachment 2,Cited Trademark 3 consists of the alphabet characters, "RAffINE", with the letters in the middle, "ff", slightly stylized, and configured in a way to make them taller than other letters.

Accordingly, the Cited Trademarks generate the pronunciation, "raffine", and meanings such as "refined or sophisticated" according to the respective letters of the configuration.

(3) Similarity of the Trademark and Cited Trademarks

A Appearances

As described above, the Trademark has a configuration which is shown entirely in green, and while the letter parts, "Raffine" and "Style", are shown in two-tier letter strings, they are shown in a unified manner in the same font and same size. As such, even if the configuration is shown with two-tier letter strings, it is reasonable to perceive the letter parts, "Raffine" and "Style", in a unified manner.

On the other hand, the Cited Trademarks respectively consist of the alphabet characters, "RAFFINE" or "RAffINE", as described above, and thus the Trademark and the Cited Trademarks are distinguishable from each other in appearance.

B Meanings

The Trademark has meanings such as "refined, sophisticated style, lifestyle", and Cited Trademarks generate meanings such as "refined, sophisticated". As such, the Trademark is distinguishable from the Cited Trademarks in meaning.

C Pronunciations

The pronunciation, "raffine-style", generating from the Trademark, and the pronunciation, "raffine", generating from the Cited Trademarks have the difference of the former having, and the latter not having, the pronunciation, "style", in the last half. As such, it cannot be said that the Trademark and the Cited Trademark are similar in pronunciation.

Also, the pronunciation, "raffine-style-we-love-heartful-relaxation", generating from the entire configuration of the Trademark, and the pronunciation, "raffine", generating from the Cited Trademarks, have obvious differences in the number of pronunciations and the pronunciation configuration, and thus the Trademark is distinguishable from the Cited Trademarks.

D Summary

As described above, since the Trademark and Cited Trademarks are distinguishable in appearance, meaning, and pronunciation, and are therefore not similar to each other, it cannot be said that the Trademark falls under Article 4(1)(xi) of Trademark Act.

2 Article 4(1)(xv) of Trademark Act

(1) Prominence of the cosmetics brand, "RAffINE"

The demandant claims that the cosmetics brand, "RAffINE", has acquired well-known and prominence for the goods, "cosmetics", and has submitted Exhibits A No. 11-1 to A No. 11-7. As such, each of the exhibits shall be considered as follows.

A Exhibit A No. 11-1 is titled, "List of Demandant's Stores", as of April 2012.While it can be acknowledged that there are 17 stores nationwide bearing the store name, "ラフィネカラー (raffine color)", conditions of the specific use, sales performance, and the like of the cosmetics brand, "RAffINE", in the respective stores are unclear.

B Exhibit A No. 11-2 indicates the demandant's Internet shopping site, as printed on paper on April 16, 2012, is titled, "<<Official>> Shin Nihon Seiyaku Co., Ltd. Online Shopping for Cosmetics Product 'Raffine' Series, Low-Calorie Foods, and Pharmaceutical Products", written in Japanese. The exhibit indicates, "Use this single

item after washing your face in the morning and at night", in Japanese, underneath which is displayed what looks like a container of a cosmetic item, with the letters, "PerfectOne", written on the surface of the container, along with the trademark, "RAffINE", with the letters in the middle, "ff", slightly stylized. Also, underneath the foregoing are the phrases, "Total sales volume: 14,000,000", "All-in-one beauty gel: ラフィネ　パーフェクトワン (raffine perfect one)", and "On broadcast in commercials", in Japanese.

Furthermore, from the lower right corner on page 1 to the upper right corner on page 2, a ranking of top-selling items for the week indicates as follows: "No. 1　ラフィネパーフェクトワン (raffine perfect one)"; "No. 2　ラフィネクリアソープ (raffine clear soap)"; and "No. 3　ラフィネソリッドクレンジング (raffine solid cleansing)". On the left side, cosmetic items seem to be indicated as the product lineup, but the image is too blurred for confirmation of product names and other details.

C Exhibit A No. 11-3 is referred to as "Yahoo and Rakuten shopping sites". It indicates search results on "Yahoo! Japan Shopping" and "Rakuten Ichiba" for the term, "Shin Nihon Seiyaku Co., Ltd.", on April 12, 2012, and the search results from both sites indicate products called "ラフィネパーフェクトワン (raffine perfect one)" and "ラフィネパーフェクトワンモイスト (raffine perfect one moist)", respectively, along with photographs.

D Exhibit A No. 11-4 is referred to as "List of Demandant's Advertising Media (TV commercials and paper media)". The exhibit suggests that from January to March 2012, TV commercials for products of the demandant's cosmetics brand were broadcast on 70 stations, and advertisements were run on 122 paper media such as magazines and newspapers. While the list indicates information such as the areas in which the commercials were broadcasted, the names of the broadcasting stations, and the names of magazines and newspapers, there is no specific information about how these advertisement media promoted the demandant's products, in which the cosmetics brand, "RAffINE", is used, or how many times the advertisement was run, or other such details.

E Exhibit A No. 11-5 is titled, "Cosmetics Marketing Directory 2011 No. 1" (Fuji Keizai Co., Ltd., issued on March 30, 2011)", with the purpose of the survey indicated as "to provide an overview of the entire cosmetics market and the major items through research and analysis of basic information about the major products constituting the cosmetics market". On the fourth page (p.67) is information about "moisture", which is under the category of "skincare (9 items)" among the items targeted by the survey, with the description, "moisture cream, nourishing cream, vanishing cream, and other cosmetic preparations that give oil and water to the skin, including gel-type products and oil other than cosmetic liquid and beauty essence". The sixth page (p.70, p.71) indicates the sales figures, share by manufacturers, and share by brands for "moisture (moisturizing cosmetic items)" (the demandant's data indicated for the sales figure by manufacturers and the sales figure by brands are the same, and the data for the share by manufacturers and the share by brands are also the same), with the respective figures indicated as 68,000,000 yen for 2008, at 7%, and 75,000,000 yen for 2009, at 7.1%, and 90,000,000 yen for 2010, at 8.1%, and 92,000,000 yen for 2011 (expected), at 7.9%.

Also, in the lower part of the list of share by brands is the following description in Japanese: "(2) 'ラフィネ (raffine)' (Shin Nihon Seiyaku Co., Ltd.) actively engages in promoting its core product, all-in-one gel 'ラフィネ　パーフェクトワン (raffine

perfect one)', in TV commercials and infomercials, in addition to running directly-managed stores, 'ラフィネカラー (raffine color)', which, in spite of being small in scale, provide connections with customers in areas other than the mail-order business, and these efforts have promoted the picking up of demands and have shifted the performance to expand".

Furthermore, the seventh page (p.72) indicates, under the title in Japanese, "5. Market Trend by Types", and the sub-title in Japanese, "2) Market Size Transition", as follows in Japanese: "(2) For gel products, all-in-one type items are the main force, and in 2010, 'Dr. Ci:Labo' (Dr. Ci:Labo Co., Ltd.), 'Raffine' (Shin Nihon Seiyaku Co., Ltd.), and other top-share manufacturers in mail-order business led the market ...". On the eighth page (p.74), under the sub-title in Japanese, "3) Market share (2) Gel-type products)", is the following description in Japanese: "(2) Shin Nihon Seiyaku Co., Ltd. is advancing the picking up of new demands by targeting customers with its core product, 'ラフィネ　パーフェクトワン (raffine perfect one)', through TV commercials and infomercials on the BS channel, and because the company succeeded in attracting the existing customers by improving the outbound-calls, the performance expanded significantly". Also, under the title in Japanese, "6. Trend by Price Ranges", the following is indicated in Japanese: "(4) For items priced within the range of more than 3,000 and below 5,000, mass-production brands operated by major manufacturers of mail-order business and manufacturers of price-maintained merchandise produced the most performance. In 2010, performance within the price range expanded significantly because of appearances of 'Elixir White' (Shiseido Company, Limited), 'DHC Medical Q' series (DHC Corporation)', among others, and because 'Dr. Ci:Labo Aqua Collagen Gel' (Dr. Ci:Labo Co., Ltd.), and 'ラフィネ　パーフェクトワン (raffine perfect one)' (Shin Nihon Seiyaku Co., Ltd.) continued to pick up demands".

F Exhibit A No. 11-6 is referred to as indicating a history of awards received for Internet sales. The exhibit indicates that "ラフィネ　パーフェクトワン (raffine perfect one)" was awarded the first place in the entire year or the first half of the year during 2007 to 2010, in the entire categories of "Rakuten Original Cosmetics Grand Prize", in the category of cream-type moisturizer, or in the category of skincare products. "Original cosmetics" refers to the "cosmetics which are positioned as private brands or house brands in contract to well-known national brands, and which are sold on Rakuten directly by manufacturers or equivalent shops" (cited from a website on Rakuten Ichiba).

G Exhibit A No. 11-7 indicates a transition table of traffic to the demandant's homepage. The traffic during January and February 2012 was approximately 2,000,000, showing an increase from previous years.

H According to what is described above, the demandant handles gel-type, all-in-one beauty essence called "ラフィネパーフェクトワン (raffine perfect one) " as one of its cosmetics product series under the name, "RAffINE or "ラフィネ (raffine)". It is acknowledged that the demandant uses this item as its core product as it actively engages in advertising on TV and newspapers and the like in order to produce high performance. Furthermore, the container of the cosmetic item indicates the letters, "PerfectOne", as well as the letters, "RAffINE", with the letters, "ff", slightly stylized.

Accordingly, from the perspective of the sales figures and the share by manufacturers or the share by brands, and the like, in the category of moisturizing cosmetic items, it can be said that the name, "RAffINE" or "ラフィネ (raffine)", has

been known, to some extent, as representing products that pertain to the demandant's business. At the same time, however, moisturizing cosmetic items constitute only a part of "cosmetics", and as the fact that the gel-type beauty essence, which boasts considerable sales figures as the demandant's core product, is introduced or otherwise handled under the name, "ラフィネパーフェクトワン (raffine perfect one)", also suggests, it cannot be said that the name, "RAffINE", is widely recognized among consumers in the entire field of cosmetics and toiletries.
(2) Furthermore, since it can be said that the Trademark and the cosmetics brand, "RAffINE", are, as in the case of recognizing the Cited Trademarks in 1 above, not similar to each other, it should be said that, in the end, an onlooker would see the Trademark and the cosmetics brand, "RAffINE", as having different sources.
(3) In that case, demandee uses the Trademark for the demandee's designated goods, there is no possibility that traders and consumers who see it may falsely recognize that its source is the demandant or someone who is somehow related to the demandant economically or organizationally, and that they may cause confusion about its source, and thus it cannot be said that the Trademark falls under Article 4(1)(xv) of Trademark Act.

3 Article 4(1)(xix) of the Trademark Act

The Trademark and the cosmetics brand, "RAffINE", are, as in the case of the Cited Trademarks, not similar to each other. As such, there is no need to even consider as to the existence of "unfair purposes", and it cannot be acknowledged that the Trademark falls under Article 4(1)(xix) of Trademark Act.

The demandant claims that the fact that the application for registration of the Trademark was filed in spite of the demandant's request for discontinuation of the sale or advertising of products, in the warning letter of Exhibit A No. 9, means that there is the possibility of the purpose of diluting the power which the demandant's cosmetics brand has of attracting customers as well as of the distinctiveness of the demandant's cosmetics brand, or with the purpose of interfering with the demandant's business when the application for the Trademark was filed, but the trademark targeted by the said warning letter is a different trademark from the Trademark. Furthermore, since the application for registration of a trademark is filed in order to use the trademark for the goods and services that pertain to the applicant's business, the fact that the application was filed for the Trademark which includes the same letters as the trademark against which a warning was made does not immediately mean that it was intended to dilute the demandant's trademark or to interfere with the demandant's business, and thus there is no evidence to support that the demandee filed the application for the Trademark with such purposes or with the purpose of obtaining unfair profits.

4 Regarding Article 4(1)(vii) of Trademark Act
(1) Article 4(1)(vii) of Trademark Act provides that, in the case where a trademark in itself cause damage to public order or morality, granting registration for the trademark would be against the purport of the Trademark Act, and thus such trademark shall not be granted registration. In addition to the reason described above, the same provisions may apply to the cases such as when a person other than the person to whom a well-known and prominent trademark belongs files an application for registration of a trademark by plagiarizing with unfair purposes, or to other cases that run counter to the purport of the

Trademark Act.

In this regard, the demandant claims that, in the case where the filing process of an application for a trademark involves socially unacceptable circumstances, or in the case where it is obvious that an application was filed with unfair purposes, it is determined that the approval of the registration of a trademark which was obtained as a result in spite of such circumstances would have likelihood to cause damage to "public order or morality", including distribution order of products, and thus such case should be eliminated pursuant to Article 4(1)(vii) of Trademark Act.

As such, whether or not the application process for the Trademark involves socially unacceptable circumstances, or whether or not the application was filed with unfair purposes, shall be considered below.

(2) The demandant claims that since that the application for registration of the Trademark was filed on the next day of the receipt of the "document for submission of publications and the like" from the JPO for the Trademark Application No. 2011-55832, it was obvious that the demandee was aware of the existence of the Cited Trademarks.

However, even when an application for registration of a trademark is filed with the knowledge about prior applications or registered trademarks of another person, it cannot be said that the act of filing the application involved socially unacceptable circumstances, or that it is based on unfair purposes. As such, the demandant's claim in this regard is groundless.

(3) The demandant claims that the banner advertising which is similar to the Trademark and which is used by the demandee indicates the words, "ラフィネの通販サイト (raffine's online shopping site)", and that it is natural for one to recognize, from the letter part, "ラフィネ (raffine)", that the products are related to the demandant's cosmetics brand, "RAffINE", and have such expectations. As such, the demandant claims that the demandee's act of use, as described above, causes misunderstanding and confusion with the demandant's cosmetics brand, and that it is presumed that there was a purpose of making profits by luring customers of the demandant's cosmetics brand to the products sold by the demandee, and that, therefore, there was unfair use of a trademark.

However, the demandant's claim above pertains to the part, "ラフィネ (raffine)", which is shown in the banner advertising along with the Trademark, and it cannot be said that the use of a trademark in the banner advertising above means that the application process for registration of the Trademark involved socially unacceptable circumstances.

Also, according to Exhibit B No. 6 which the demandee submitted, it is acknowledged that the banner advertising indicating "ラフィネの通販サイト (raffine's online shopping site)", is displayed at the top page of the homepage of the demandee's subsidiary, "BODYWORK Co., Ltd." (hereinafter referred to as "BODYWORK"), which runs massage and relaxation salons under the shop name of "ラフィネ (raffine)". However, based on the display of "ハートフルリラクゼーション (heartful relaxation)" and "リラクゼーションスペースラフィネ (relaxation space raffine)/Raffine" and the like on the said homepage, it is easily imaginable that the services provided by BODYWORK concern body care, massage, and other ways of relaxation, and thus it cannot be said that a person who sees the said banner advertising immediately recognizes it as the demandant's cosmetics brand, "RAffINE".

Accordingly, it cannot be said that the application process for registration of the Trademark involved socially unacceptable circumstances, or that the application for the Trademark was filed with unfair purposes.

(4) The demandant claims, by stating the processes to the filing of Trademark Application No. 2009-58231 and Trademark Application No. 2011-55832, that the filing of the application for the Trademark is an act intended to cause misunderstanding and confusion with products that pertain to the business of another person, and that the application process for the Trademark involved social unacceptable circumstances.

However, the trademarks pertaining to the applications for registration as described above have manners of use that are different from that of the Trademark, and the history of examination over these applications for registration are not directly relevant to the act of filing the application for the Trademark. Also, if the Trademark were registered in spite of the risk of causing misunderstanding and confusion with the products that pertain to another person's business, it is entirely subject to the determination of whether or not the said trademark application for registration falls under Article 4(1)(xv) of Trademark Act, and thus it cannot be interpreted that Article 4(1)(vii) can be used as a basis for refusal of registration of the trademark concerned. As for the non-applicability of the Trademark under Article 4(1)(xv) of Trademark Act, it is as described in 2 above.

(5) Judgment over the applicability of Article 4(1)(vii) of Trademark Act

In light of what is described above, it cannot be said that the Trademark in itself is configured in a way that disrupts public order or morality. Furthermore, it cannot be said that the application process involved any socially unacceptable circumstances, and it also cannot be said that the application for registration involved plagiarism or unfair purposes. Therefore, the demandant's allegation in connection with the matter described above cannot be accepted.

Therefore, the Trademark does not fall under Article 4(1)(vii) of Trademark Act.

5 Closing

As described above, the registration of the Trademark for the goods, "cosmetics", as designated goods is not in breach of Articles 4(1)(xi), 4(1)(xv), 4(1)(xix), and 4(1)(vii) of Trademark Act. Therefore, the registration of the Trademark cannot be invalidated under the provisions of Article 46(1)(i) of Trademark Act.

Although the demandant submitted a written refutation dated January 25, 2013 as well as Exhibits A No. 17 to A No. 24, these documents do not have any influence over the judgment described above even in light of the reason for submission as well as the content of the documents.

Therefore, the trial decision shall be made as described in the conclusion.

February 1, 2013

Chief administrative judge: NOGUCHI, Miyoko
Administrative judge: UCHIYAMA, Susumu
Administrative judge: MAEYAMA, Ruriko

Attachment 1 (The Trademark) (See original for colors)

Attachment 2 (2 Cited Trademark 3)