

Trial decision

Invalidation No. 2014-890032

Tokyo, Japan

Demandant

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The case of trial regarding the invalidation of trademark registration for Trademark Registration No. 5643664 between the parties above has resulted in the following trial decision.

Conclusion

Trademark Registration No. 5643664 is invalidated

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

Reason

No. 1 The Trademark

Trademark Registration No. 5643664 (referred to as "the Trademark" below) consists of standard characters of "養命茶 (Yomeicha)" and the application for its registration was filed on December 12, 2011. The decision for registration was issued on December 6, 2013 with designated goods of Class No. 30 "Tea-based beverages, powder tea, plants-based as mixed tea, flour-based mixed tea, plants-and-flour-based mixed tea, other mixed tea, other tea, tea-added confectionery, tea-added bread, processed food based on tea in the form of blocks, granular shapes, powders, granules shapes, capsules, liquid, or jelly, processed food based on tea-extracts in the form of blocks, granular shapes, powders, granules shapes, capsules, liquid, or jelly, processed food based on flour in the form of blocks, granular shapes, powders, granules shapes, capsules, liquid, or jelly, processed food based on flour-extracts in the form of blocks, granular shapes, powders, granules shapes, capsules, liquid, or jelly, tea-added processed grains.", and the trademark was registered on January 17, 2014.

No. 2 Cited Trademark

1 The demandant cites two registered trademarks below (referred to as "Cited Trademark (xi)" below in a case where these two trademarks are collectively called) as a reason to invalidate the trademark's registration because the Trademark falls under Article 4(1)(xi) of the Trademark Act, and they are still valid as of now.

(1) Trademark Registration No. 4910948

Trademark Registration No. 4910948 (referred to as Cited Trademark (xi)-1 below) consists of slightly-designed characters of "養命 (Yomei)" in horizontal writing, as describe in Attachment 1. The application for its registration was filed on February 15, 2005, and the trademark was registered on December 2, 2005 with designated goods of Class No. 29 which are as specified in the Trademark Registry.

(2) Trademark Registration No. 4956865

Trademark Registration No. 4956865 (referred to as "Cited Trademark (xi)-2" below) consists of slightly-designed characters of "養命 (Yomei)" in horizontal writing as described in Attachment 1. The application for its registration was filed on January 21, 2004, and the trademark was registered on June 2, 2006 with designated goods of Class No. 30 which are as specified in the Trademark Registry.

2 The demandant cites registered trademarks, including a trademark which consists of slightly-designed characters of "養命酒 (Yomeishu)" in horizontal writing as described in Attachment 2 (referred to as "Cited Trademark (xv)-1" below) and a trademark which consists of slightly-designed characters of "養命 (Yomei)" in horizontal writing as described in Attachment 3 (referred to as "Cited Trademark (xv)-2" below, in a case where "Cited Trademark (xv)-1" and "Cited Trademark (xv)-2" are collectively called, they are referred to as "Cited Trademark (xv)"), as a reason to invalidate the trademark's registration because the Trademark falls under Article 4(1)(xv) of the Trademark Act. These are trademarks regarding so-called "medicinal liquor" which is made from medical herbs and the like and is manufactured by the demandant (referred to as "Demandant's product" below).

No. 3 The demandant's allegation

The demandant requested a trial decision whose content is the same as the conclusion, summarized and mentioned reasons for request as follows, and submitted Evidence A No. 1 to A No. 24 as means of evidence.

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

The Trademark is a trademark which consists of the characters of "養命茶 (Yomeicha)" in horizontal writing. In the configuration, the character part of "茶 (cha; tea)" is a word which is not capable of distinguishing in relation to the designated goods, and the primary part of the Trademark is the character part of "養命 (Yomei)".

In the examination, even when it is determined that the Trademark is not similar to Cited Trademark (xi), since there is a case where it has been determined that a trademark including "xx 茶 (cha)" is similar to "xx" (Evidence A No. 4), it should be determined that the character part of "茶 (cha)" in the configuration of the Trademark is not capable of distinguishing in relation to the designated goods and the primary part is "養命 (Yomei)".

Therefore, regarding the Trademark, the reasons for invalidation under the provisions of Article 4(1)(xi) of the Trademark Act are satisfied.

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

(1) The Trademark is the same as or similar to well-known and prominent Cited Trademark (xv) of the demandant. It is obvious that Cited Trademark (xv) is well-known and prominent because Cited Trademark (xv) is listed in "FAMOUS TRADEMARKS IN JAPAN", "AIPPI JOURNAL", "Japanese famous trademark list"

and "Japanese well-known trademarks" (Evidence A No. 8).

A point for considering the fact that trademark is listed in the above lists in the examination is explicitly indicated in Basic policy concerning review of examination standards in "Amendment to examination guidelines regarding protection of well-known and prominent trademarks" (June 1999, Trademark Division, First Examination Department) indicated in AIPPI in July 1999 (Evidence A No. 9).

Although there are trademarks including the characters of "養命 (Yomei)" owned by a third party, they were all registered before examination guidelines for trademarks were amended (examination before July 1, 1999).

Therefore, the demandant recognizes that trademarks, which have passed the examination in the period in which well-known and prominent trademarks were not sufficiently protected, still exist now although Cited Trademark (xv) of the demandant has been well-known and prominent at that time (Evidence A No. 10).

Furthermore, there are registered trademarks owned by the third parties, the demandant demanded the trial for invalidation with respect the registered trademarks (Evidence A No. 11).

In addition, there is a case where a decision for refusal was issued because the trademark of the third party is similar to the well-known and prominent trademark of the demandant and falls under Article 4(1)(xv) of the Trademark Act (Evidence A No. 12).

According to the decisions on opposition and invalidations examined by Japan Patent Office in the past, it is obvious that Cited Trademark (xv) is a well-known and prominent trademark (Evidence A No. 13).

(2) The words of "養命酒 (Yomeishu)" and "養命 (Yomei)" were created by Soka Shiozawa, who is the founder of the demandant, in 1602 and were chosen as the trademark. This is the well-known and prominent trademark which has been used for Demandant's product for 400 years since 1602. The product was named as "養命酒 (Yomeishu)" in 1602 and was present to Ieyasu Tokugawa when Edo bakufu (Edo shogunate) was established. After that, "養命酒 (Yomeishu)" was licensed as "天下御免万病養命酒 (Tenka gomen manbyou yomeishu)" by Edo shogunate, and was mentioned in the novel "異国奇談和莊兵衛 (Ikokukidanwasoubei)" published in 1774 (about 200 years ago) and in the long epic song "春昔由縁英 (haru wa mukashi yukari no hanabusa)" created in 1785. An organization for manufacturing and selling Demandant's product was changed to a company organization in 1923, the market was extended to the whole country, Demandant's product has been advertised in newspapers and magazines since about 1930, and first radio advertising has been made since 1952. After that, as a result to continuous effort of advertising, it can be said that Cited Trademark (xv)-1 is well-known in Japan.

The sales of Demandant's product have been dramatically increased, and the demandant went public on the Tokyo Stock Exchange in 1955. In 1956, the demandant recorded the sales of 2719 kl which is the largest sales since the company was established. The TV commercial was started in 1964, and the amount of money which has been spent for advertising activities including the TV commercials by the demandant is enormous and exceeds five billion yen a year. In addition, "養命酒 (Yomeishu)" has been often mentioned in magazines, newspapers, and books (Evidence A No. 14).

Such a continuous corporate efforts of the demandant have been recognized, and Cited Trademark (xv)-1 has been registered as a defensive mark (Evidence A No. 16).

For the Trademark, the well-known and prominent word of "養命 (Yomei)" which has been used by the demandant for a long time and represents considerable trust and reputation is chosen.

Therefore, if the Trademark is used for the designated goods, it is obvious that traders and consumers who see it may falsely recognize its source that the product relates to the well-known Demandant's product or the company of the demandant which is famous for "養命酒 (Yomeishu)". However, it is obvious that the primary part of the Trademark is "養命 (Yomei)" as described above. Consumers always associate the word of "養命 (Yomei)" with "養命酒 (Yomeishu)", and in the field of foods, which is Demandant's product, the Cited Trademark (xv) and the Trademark cause confusion and false recognition.

(3) According to the result of investigation on consumers by an investigation company which was submitted as an evidence of the publicity of Cited Trademark (xv), a recognition rate of Demandant's product by the consumers was 95.5 % (August 2012), and it can be said that the awareness of the Demandant's product is greatly higher than that of a brand of other company in the same industry (second company has awareness of 34.9%) (Evidence A No. 20). The reason why consumers recognize Demandant's product so much is TV commercials, advertisements in newspapers and magazines, and because the product is in the house (used by family member) as indicated in "recognition opportunity of 養命酒 (Yomeishu)". 88.6% of consumers (2008) mentioned the TV commercials. That is, Demandant's product has been broadcasted so many times (Evidence A No. 21).

The advertising cost of TV commercials spent by the demandant is more enormous than that of other companies, and this is a proof indicating that the demandant has importantly used the trademark for 400 years. A ratio between the sales and the advertising cost is 33.9% at the maximum (from April 2003 to March 2004). Whereas the ratios between the sales and the advertising cost of other food manufacturing companies are between 2% to 4%, the ratio between the sales and the advertising cost of Demandant has been kept to be equal to or more than 20% for past 30 years (Evidence A No. 22). As a result of enormous advertising cost and corporate effort to maintain the quality of the product, "養命酒 (Yomeishu)" brand of the demandant now has a great recognition rate of 95.5%.

(4) In this way, it can be said that the consumers recognize prominent Cited Trademark (xv)-1 including the primary part of "養命 (Yomei)" as the prominent trademark of the demandant with no doubt. Therefore, the Trademark gives rise to the pronunciation and the meaning of well-known and prominent word of "養命 (Yomei)". In a case where the Trademark is used for its designated goods, traders and consumers who see the Trademark falsely and inevitably recognize that the origin of the product relates to the demandant.

Accordingly, regarding the Trademark, the reasons for invalidation under the provisions of Article 4(1)(xv) of the Trademark Act are satisfied.

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

As described in 2 above, Cited Trademark (xv) of the demandant is a well-known and prominent trademark and is well known in Japan.

The Trademark includes the well-known and prominent trademark and is similar to and confusing with Cited Trademark (xv). Therefore, the sources of the two trademarks may be confused, and the Trademark was applied for the purpose of diluting a source designator of Cited Trademark (xv).

Following the history of the application procedure of the Trademark, the demandee has approached the demandant to "develop, manufacture, and sell 養命茶 (Yomeicha) in cooperation with each other with a method which gives consideration to brand property" after the application of the Trademark. However, a corporative work contract between the demandant and the demandee was not concluded. Based on this act, it is considered that the application was filed while the demandee knew that the trademark of the demandant was well-known and prominent.

Accordingly, regarding the Trademark, the reasons for invalidation under the provisions of Article 4(1)(xix) of the Trademark Act are satisfied.

4 Summary

As described above, the Trademark has the reasons for invalidation that fall under Article 4(1)(xi), 4(1)(xv), and 4(1)(xix) of the Trademark Act.

No. 4 The demandee's reply

The demandee replied to request the body to approve the appeal of the case was groundless and the costs in connection with the trial shall be borne by the demandant, summarized and mentioned reasons for request as follows, and submitted Evidence B No. 1 to B No. 55 (including their branch numbers) as means of evidence.

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

(1) Regarding primary part of the Trademark

The Trademark consists of the characters of "養命茶 (Yomeicha)". Even when the configuration includes the character of "茶 (Cha)", it should not be determined that the primary part of the Trademark is the character part of "養命 (Yomei)" by uniformly excluding the character part of "茶 (Cha)".

The three Chinese characters included in the Trademark are written in the same font, have the same size, and written at the same intervals, and are integrally expressed in appearance (unity of appearance). In addition, the pronunciation generated from the Trademark is short and includes five sounds including a long, and the Trademark is pronounced smoothly in series as "Yomeicha" (unity of pronunciation). Furthermore, the character parts of the Trademark are recognized to be uniformly integrated with each other, and give rise to the meaning of "tea which nourishes lives" (unity of meaning). Since the Trademark is not formed so that the character part of "養命 (Yomei)" independently attracts an attention of a person who sees it, the primary part of the Trademark is not the character part of "養命 (Yomei)".

It is obvious that the Trademark is uniformly integrated based on that Cited Trademarks (xi)-1 and (xi)-2 were not cited in the examination procedure of the Trademark (Evidence B No. 1) and that "養命 (Yomei)" (Evidence B No. 2-1, B No. 2-2, B No. 3-1, and B No. 3-2) which is a mark similar to Cited Trademark (xi) in similar group codes 29A01, 30A01, and 32F15 was registered after the registration of the Trademark.

In the examination procedure of the Trademark, it has been consistently acknowledged that "養命 (Yomei)" in Evidence B No. 2-1, B No. 2-2, B No. 3-1, and

B No. 3-2 and the Trademark are not similar to each other. In consideration of the consistent examination regarding the Trademark and Evidence B No. 2-1, B No. 2-2, B No. 3-1, and B No. 3-2, the Trademark has been sufficiently examined.

In addition, it is reasonable that the Trademark is uniformly integrated based on a case where the registrations coexist (Evidence B No. 4 to B No. 36).

(2) Comparison between the Trademark and Cited Trademark (xi) in appearance

The characters of the Trademark are integrally expressed in appearance as described in (1) (unity of appearance). Whereas, Cited Trademark (xi) consists of two Chinese characters of "養命 (Yomei)" in horizontal writing.

Therefore, it can be easily perceived that the Trademark consists of three Chinese characters on the view and Cited Trademark (xi) consists of two Chinese characters. Whether a Chinese character of "茶 (Cha)" which is a difference between the Trademark and Cited Trademark (xi) is positioned at the end of the word can be easily memorized and imaged so as to use the trademarks in business transactions, and both trademarks can be sufficiently distinguished from each other in appearance.

(3) Comparison between the Trademark and Cited Trademark (xi) in meaning

The Trademark and Cited Trademark (xi) are coined words which do not have a specific idea, and both trademarks cannot be compared with each other. However, it is recognized that the character parts of the Trademark are uniformly integrated and the character parts give rise to the meaning of "tea which nourishes lives" (unity of meaning). Whereas, each of Cited Trademark (xi) only gives rise to the meaning of "nourish lives".

Therefore, the Trademark and Cited Trademark (xi) do not give rise to the same meanings and are not confused with each other

(4) Comparison between the Trademark and Cited Trademark (xi) in pronunciation

The Trademark consists of the characters of "養命茶 (Yomeicha)" which are written in the same font, have the same size, and written at the same intervals. The Trademark is integrally expressed in series in appearance. The entire pronunciation is short and includes only five sounds including a long, and the Trademark is pronounced smoothly in series as "Yomeicha" (unity of pronunciation). In addition, there is no special circumstances in which the character part of "養命 (Yomei)" in the configuration of the Trademark is independently recognized.

On the other hand, Cited Trademark (xi) is integrally expressed in appearance, and the entire pronunciation is not long, and Cited Trademark (xi) is pronounced in series only as "Yomei".

Accordingly, the number of sounds in the pronunciation of "Yomeicha" generated from the Trademark and that in the pronunciation of "Yomei" generated from Cited Trademark (xi) are obviously different from each other, and both trademarks are not confused with each other when both trademarks are pronounced in series based on whether the sound of "Cha" at the end of the word.

(5) Business transaction circumstances

In the actual business transactions, the trademark including the word of 養命 (including pronunciation of "Yomei") is used without causing a risk of confusion about the source with the goods of the demandant and a person who has an economic or organizational relation with the demandant (referred to as "demandant and the like" below) (Evidence B No. 37 to B No. 44). In addition, since "養命酒 (Yomeishu)" and

the product including the characters of "養命 (Yomei)" manufactured by a company different from the demandant are used without causing a risk of confusion about the source with the goods (Evidence B No. 45 and B No. 46) in the current situation, in the actual business transactions, the Trademark and Cited Trademark (xi) are not confused with each other according to whether the character of "茶 (cha)" is included.

(6) Summary

According to the above reasons, the Trademark is not similar to Cited Trademark (xi), and it is obvious that the Trademark does not fall under Article 4(1)(xi) of the Trademark Act.

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

(1) The trademark which has been widely recognized by traders and consumers is medical "養命酒 (Yomeishu)" which is formed by a combination of the word of "養命 (Yomei)" and "酒 (Shu)", and is not "養命 (Yomei)".

It is obvious that the word of "養命 (Yomei)" is not prominent because a defensive mark of "養命 (Yomei)" is not registered while the defensive marks No. 1 and No. 2 of Trademark Registration No. 800892 and the defensive marks No. 1 to No. 7 of Trademark Registration No. 836699 were registered with regard to "養命酒 (Yomeishu)" (Evidence B No. 47). Furthermore, "養命 (Yomei)" is not registered in Japanese well-known trademarks (Evidence B No. 48). In addition, the prominence of "養命 (Yomei)" was denied in the decision of the trial for revocation No. 2012-300385 (Evidence B No. 49).

In addition, there is an example in which, even when Cited Trademark (xv)-1 which has been widely recognized by traders and consumers existed before the registration application of the Trademark, "養命 (including the pronunciation of "Yomei")" in the configuration of Cited Trademark (xv)-1 was registered (Evidence B No. 51 to B No. 55).

That is, even when the Trademark includes the characters of "養命 (Yomei)" in its configuration, in a case where the Trademark is used for the designated goods of this case, traders and consumers who see it do not confuse about the source of the goods as the goods related to the business of the demandant and the like.

As described in 1(5) above, in the actual business transactions and the like, the trademark including the word of "養命 (including pronunciation of "Yomei")" is used without causing confusion about the source with the goods of the demandant and the like.

(2) The Trademark is significantly different from Cited Trademark (xv)-1 which has been widely recognized by traders and consumers in the appearance, the pronunciation, and the meaning, by the characters of "酒 (Shu)" and "茶 (Cha)" in the latter halves of the trademarks.

Therefore, the trademark which has been widely recognized by traders and consumers is medical "養命酒 (Yomeishu)" which is formed by a combination of the word of "養命 (Yomei)" and "酒 (Shu)", and is not "養命 (Yomei)". Furthermore, the words of "養命丸 (Yomeimaru)", "養命散 (Yomeisan)", "養命泉 (Yomeisen)", "養命ふとん (Yomei futon)", and "養命そば (Yomei soba) made by companies different from the demandant and the like are actually used without causing confusion about the source with the goods of the demandant and the like. In addition, the

character part of "茶 (Cha)" at the end of the word in the Trademark is significantly different from the character part of "酒 (Shu)" at the end of the word in Cited Trademark (xv)-1 in the appearance, the pronunciation, and the meaning. Furthermore, the designated goods of this case are important for the health of consumers, and consumers normally pick up the real product, confirm the product name, the names of active ingredients, and the efficacy, and carefully select the product. Therefore, even if the Trademark is used for the designated goods of this case, traders and consumers do not confuse the origin of the product related to the business of the demandant and the like, and it is obvious that the Trademark does not fall under Article 4(1)(xv) of the Trademark Act.

Although the Trademark needs to fall under Article 4(1)(xv) of the Trademark Act at the time of the registration application and the decision for registration, Evidence A No. 8 to A No. 22 do not indicate that Cited Trademark (xv)-2 was well-known and prominent at the time of the registration application and the decision for registration of the Trademark.

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

The trademark which has been widely recognized by traders and consumers is medical "養命酒 (Yomeishu)" which is formed by a combination of the word of "養命 (Yomei)" and "酒 (Shu)", and is not "養命 (Yomei)", and the Trademark is not similar to "養命 (Yomei)" and "養命 (Yomei)". Therefore, the Trademark is not the "trademark which is identical with, or similar to, a trademark which is well known among consumers in Japan or abroad as that indicating goods or services pertaining to a business of another person" in Article 4(1)(xix) of the Trademark Act.

In addition, in the actual business transactions and the like, even if the word of "養命 (including pronunciation of "Yomei")" is included, as indicated in Evidence B No. 37 to B No. 46, the Trademark is used without causing confusion about the source with the goods of the demandant and the like. Therefore, even when the demandee uses the Trademark for its designated goods, there is no risk of injuring trust, reputation, and customer attraction embodied by the Cited Trademark (xv)-1, and the Trademark does not fall under the trademark which "is used for unfair purposes" in Article 4(1)(xix) of the Trademark Act.

Therefore, it is obvious that the Trademark does not fall under Article 4(1)(xix) of the Trademark Act.

4 Closing

As described above, it is obvious that the Trademark does not fall under Article 4(1)(xi), 4(1)(xv), and 4(1)(xix) of the Trademark Act.

No. 5 Judgment by the body

1 Regarding well-known and prominent of Cited Trademark (xv)-1

(1) Respective items of Evidence A submitted by the demandant and purpose of request for trial indicate the following points (A to H are indicated in Evidence A No. 14).

A In the copy of the book entitled as "Conditions of companies which last for hundred years", under the headline of "traditional company's business chronology- a large number of companies have its history", "養命酒製造 (Yomeishu seizo)" is described as a company name, "manufacture of distilled liquor and mixed liquor" is described as a business type, and "1602" is described.

B In the copy of the book entitled as "Local industry in Japan 3 = Chubu and Hokuriku", under the headline of "Oriental character", it is described that "History of 養命酒 (Yomeishu) is...Sokan Shiozawa...collected medical herbs which are basic ingredients...named it as 養命酒 (Yomeishu) and manufactured 養命酒 (Yomeishu) for the first time in 1602".

C In the copy of "Weekly Diamond dated on November 13, 2004", under the headline of "Weight of 400 years, "Thickness" is the point of 養命酒 (Yomeishu)", it is described that "Long-selling products have been considered from the previous time. The monarch is, of course, "養命酒 (Yomeishu)" which was appeared in the world in 1602", and "養命酒 (Yomeishu) has been continuously sold now after 400 years....in the field of "medical liquor", 養命酒 (Yomeishu) has an overwhelming market share".

D In the copy of "Nikkei Business, July 28, 2008 edition", under the headline of "Inspiration of long-selling products", it is described that "'medical 養命酒 (Yomeishu)" ... is a product which has continuously secured a solid position since its launch even in an age in which many new products are produced".

E In the copy of "Nikkei Veritas, July 15, 2012 edition", under the headline of "vitality of long-life company challenge to the world with its technology", it is described that "養命酒酒造 (Yomeishu shuzo, Yomeishu brewing) (2540) which was established in 1602 is at the third place in a long-life ranking among listed companies. Overwhelming brand power of 養命酒 (Yomeishu) firmly grabs consumers aged 60 or older".

F In the copy of "Nikkei Sangyo Shimbun" dated on November 30, 2010, under the headline of "Current state of that product", it is described that "天龍館 (Tenryukan) (養命酒酒造 (Yomeishu shuzo, Yomeishu brewing)) was sold "養命酒 (Yomeishu)" for the first time 87 years ago. "薬用養命酒 (medical Yomeishu)" which is famous as medicinal liquor having nutritional fortification effects and "養命酒 (Yomeishu)" which is alcohol have been sold for a long time".

G In the copy of "Nikkei Sangyo Shimbun" dated on May 29, 2000, under the headline of "養命酒酒造 (Yomeishu shuzo) exports 養命酒 (Yomeishu) to China in this year", it is described that "養命酒酒造 (Yomeishu shuzo) announced on May 26, 2000 that the export of the main product 養命酒 (Yomeishu) to China will be started in 2000. ...the export amount of 養命酒 (Yomeishu) is strong and was recorded two-digit growth over the previous quarter in January-March quarter, ...The company now exports 養命酒 (Yomeishu) to four countries including a region, i.e., Malaysia, Hong Kong, Singapore, and Taiwan. The export amount in January-March quarter in 2000 is 343 kl which was increased 11.4% than the previous quarter, and the export amount in January-March quarter in 2001 is expected to be 360 kl which is increased 5.0% than previous quarter excluding China".

H In the copy of "Nikkei Sangyo Shimbun" dated on November 6, 1992, under the headline of "Secret of long-selling products", it is described that "medicinal liquor made by immersing crude drug in liquor and extracting active ingredients has been drunk for nutritional fortification in many places since old times. "養命酒 (Yomeishu)" manufactured by 養命酒製造 (Yomeishu seizo) has a nearly 90% market share in the field of the medicinal liquor".

I In the copy of "Nikkei Sangyo Shimbun" dated on October 3, 1991 (Evidence A No.

22), under the headline of "Foods and medicals at the top", it is described that "By using NEEDS-COMPANY (Nikkei Economic Electronic Databank System made by Nikkei Inc.), a ranking regarding the ratio between the sales and the advertising cost of all the companies in 1990 was made. ...The second company 養命酒 (Yomeishu) spent 4.8 billion yen which is a 2 hundred million yen increase on TV and the like".

J In "Transition of sales of the product 養命酒 (Yomeishu), the overall sales, and advertising cost of YOMEISHU SEIZO CO., LTD." (Evidence A No. 22), it is described that the advertising cost of 養命酒 (Yomeishu) was about 4.8 billion yen in 1990, about 5.5 billion yen in 2000, and about 2.8 billion yen in 2011, and the ratio of the advertising cost relative to the sales was 27% in 1990, 31.5% in 2000, and 24.3% in 2011.

(2) Summary

According to the above, Soka Shiozawa who is the founder has started to manufacture Demandant's product using medical herbs as ingredients since 1602 and named the product as "養命酒 (Yomeishu)". After that, the demandant has used Cited Trademark (xv)-1 for Demandant's product and manufactured and sold the Demandant's product. In 1992, the demandant had a nearly 90% market share in the field of medicinal liquor, and in 1990, the demandant spent the advertising cost of 4.8 billion yen on TV and the like. In 2000, 養命酒 (Yomeishu) was exported to Malaysia, Hong Kong, Singapore, and Taiwan, and after that, articles regarding Cited Trademark (xv)-1 have been continuously mentioned in magazines and newspapers. Therefore, it can be acknowledged that Cited Trademark (xv)-1 has been used for Demandant's product before the registration application of the Trademark and has been prominent among traders and consumers.

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

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

Regarding Article 4(1)(xv) of the Trademark Act, it was determined that "whether or not a trademark is likely to cause confusion" should be determined comprehensively in light of factors such as the degree of similarity between the trademark and another person's indication, the degree of well-knownness, fame and creative nature of the other person's indication, and the degree of association between the designated goods or services of the trademark and the goods or services pertaining to the other person's business, as well as the commonality in terms of traders and consumers of goods or services and other circumstances of transactions. Furthermore, such determination should be made on the basis of the level of care that traders and consumers of the designated goods or services of the trademark normally have (July 11, 2000, decision by the third petty bench of Supreme Court, 1998 (Gyo-hi)85)."

Therefore, from above viewpoint, the well-known and prominent of Cited Trademark (xv) will be examined below.

(2) Cited Trademark (xv)-1

As described in 2 in No. 2, Cited Trademark (xv)-1 consists of slightly-designed characters of "養命酒 (Yomeishu)" in horizontal writing. According to the demandant's allegation and the respective items of Evidence A, the characters of "養命酒 (Yomeishu)" have been used for Demandant's product by the demandant for 400 years or more. The character part of "養命 (Yomei)" in the configuration is not recognized as an existing word having a specific meaning, and any circumstances

cannot be found in which the overall configuration has a specific meaning as an idiom. On the other hand, the character part of "酒 (Shu)" in the latter half of the configuration is a common name indicating Demandant's product, and only the above character part cannot function as a mark for distinguishing relevant products from others. Therefore, it can be said that the characters of "養命 (Yomei)" in the configuration of Cited Trademark (xv)-1 are memorized as a core part.

Then, Cited Trademark (xv)-1 is understood as a configuration of the characters of "養命 (Yomei)" and the common name of the product. It is reasonable to understand that, even when Cited Trademark (xv)-1 is used as a whole and becomes prominent, traders and consumers who see it focus on the character part of "養命 (Yomei)" in the first half and recognize that Cited Trademark (xv)-1 indicates Demandant's product.

(3) The Trademark

As described in No. 1 above, the Trademark consists of standard characters of "養命茶 (Yomeicha)". The character part of "養命 (Yomei)" in the configuration is not recognized as an existing word having a specific meaning, and any circumstances cannot be found in which the overall configuration has a specific meaning as an idiom. On the other hand, the character part of "茶 (Cha)" in the latter half of the configuration is a word which is familiar as a common name having the meaning of "beverage manufactured by collecting young leaves of tea. [Iwanami Shoten, Publishers, Kojien, 6th edition]", and the designated goods thereof belong to Class No. 30 and are as described in No. 1. Since the character part of "茶 (Cha)" in the Trademark is a word which often evokes the common name of the product and the quality (raw material), the above character part cannot strongly function as a mark for distinguishing relevant products from others.

Then, it can be said that the Trademark is understood as a configuration of the characters of "養命 (Yomei)" and the characters of the common name of the product. Traders and consumers coming into contact with the trademark use the entire Trademark for transactions, and in addition, often focus on the character part of "養命 (Yomei)" in the first half.

(4) Relation between the designated goods of the Trademark and Demandant's product of Cited Trademark (xv)-1

The designated goods of the Trademark include processed food made of tea as described in No. 1. On the other hand, Demandant's product is a so-called medical liquor made of medical herbs and the like. Both products are used for maintaining and recovering the health, and it can be said the designated goods of the Trademark and Demandant's product have association with each other for the usage or the purpose of maintaining the health. Customer segments of both products are a person who is interested in maintenance of health according to a current health trend, and these products are sold in pharmacies and drugstores which sell general merchandise including medicines. Therefore, stores, that is, traders of both products are common, and it can be said that the designated goods of the Trademark and Demandant's product have close relation.

(5) Risk of confusion about the source of the Trademark

As described in No. 1, Cited Trademark (xv)-1 has been used for Demandant's product before the registration application of the Trademark and has been prominent

among traders and consumers. This state continues upon the decision for registration of the Trademark, and it can be said that the core part which attracts attention of traders and consumers at the time when the source of the product is identified is the character part of "養命 (Yomei)".

Then, both of the Trademark and Cited Trademark (xv)-1 are recognized as configurations of the characters of "養命 (Yomei)" and the characters of the common name of the product. In a case where the source of the product is identified, it can be said that traders and consumers often focus on the character part of "養命 (Yomei)" in the configuration. In addition, as described in (4), it can be said that the designated goods of the Trademark and Demandant's product of Cited Trademark (xv)-1 have close relation with each other and often have common usage, purpose, consumers, and shops.

Then, in a case where the Trademark is used for its designated goods, it should be said that traders and consumers coming into contact with it may falsely recognize and confuse that the goods relates to the business of the demandant and the like, and the Trademark may cause a risk of confusion about the source of the goods.

(6) Summary

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

(7) The demandee's allegation

The demandee alleges that "there is an example in which a trademark including "養命 (pronunciation including "Yomei")" in the configuration is registered even though the trademark "養命酒 (Yomeishu)" which has been widely recognized by traders and consumers before the registration application of the Trademark exists" (Evidence B No. 51 to B No. 55).

However, determination regarding the risk of confusion about the source of the product should be individually and specifically made as examining it from the viewpoint of 2(1) above. Cases of the respective items of Evidence B indicated by the demandee are different from this case, and it cannot be said to determine whether there is a risk of confusion about the source by applying the cases of the respective items of Evidence B to this case. Therefore, the demandee's allegation cannot be accepted.

Furthermore, the demandee alleges that "in the actual business transactions and the like, as indicated by Evidence B No. 37 to B No. 46, the trademark including the word of 養命 (Yomei) is used without causing confusion about the source with the goods of the demandant or a person who has an economic or organizational relation with the demandant".

However, even if the trademark including the characters of "養命 (Yomei)" is used in the actual business transactions, this does not immediately deny the applicability of Article 4(1)(xv) of the Trademark Act, and this cannot be a ground for preventing the application of Article 4(1)(xv) of the Trademark Act to the Trademark. Therefore, the demandee's allegation cannot be accepted.

3 Closing

As described above, the Trademark was registered while violating Article 4(1)(xv) of the Trademark Act, and therefore, its registration should be invalidated under the provisions of Article 46(1) of the same Act without examining Article 4(1)(xi) and Article 4(1)(xix) of the same Act.

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

March 27, 2015

Chief administrative judge: HAYASHI, Eiji
Administrative judge: KAJIWARA, Yoshiko
Administrative judge: NAKATSUKA, Toshie

Attachment 1 (Cited Trademark (xi)-1 and (xi)-2)

養命

Attachment 2 (Cited Trademark (xv)-1)

養命酒

Attachment 3 (Cited Trademark (xv)-2)

養命