

## Appeal decision

Appeal No. 2018-3370

Appellant LIFULL Co., Ltd.

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The case of appeal against the examiner's decision of refusal of Trademark Application No. 2015-30535 has resulted in the following appeal decision.

### Conclusion

The appeal of the case was groundless.

### Reason

#### 1 The trademark in the Application

The trademark in the application is configured as indicated in Attachment 1, and the application for its registration was filed on April 1, 2015 as a trademark consisting of Color Mark by setting the services of Class 35 and 36 as stated in the application as the designated services. Thereafter, the designated services were amended by a written amendment dated February 10, 2016 and a written amendment dated September 13, 2016 in the original examination and by a written amendment dated March 8, 2018 submitted at the same time as the demand for appeal to Class 36 "Providing information on buildings or land in a portal site related to real estate installed on the Internet."

#### 2 Gist of reasons for refusal stated in the examiner's decision

The examiner's decision has found and judged that "the colors used for the provision of services and the decoration of advertisements, in most cases, are selected to improve their attractiveness, etc., and cannot display the source of the services, and cannot serve as a mark to distinguish the services from others. Then, in the industry that handles the designated services of the application, there is a situation in which an orange color such as that used as the trademark in the application is used as articles to be provided for use in the designated services or decoration of advertisement, and the like. Then, even if the trademark in the application is used for the articles to be

provided for use in the designated services or the decoration of advertisement, traders and consumers who come into contact with this will only recognize that it represents a color that is usually used or may be used for articles to be provided for use in the designated services or the decoration of advertisement, and it is reasonable to judge that it is a trademark by which consumers are not able to recognize the services as those pertaining to a business of a particular person. Further, according to the submitted evidence, it cannot be recognized that the trademark in the application, as a result of use of the trademark, has reached the point where consumers can recognize the services as those pertaining to a business of a particular person. Therefore, the trademark in the application falls under Article 3(1)(vi) of the Trademark Act," and rejected the present application.

### 3 Notice of examination of evidence by the body

As a result of examination of evidence by the body as to whether or not the trademark in the application falls under Article 3(1)(vi) of the Trademark Act, the fact described in Attachment 2 was found. Therefore, the appellant is notified of this by a notice of examination of evidence dated October 31, 2018 based on the provisions of Article 150(5) of the Patent Act which is applied *mutatis mutandis* pursuant to the provisions of Article 56(1) of the Trademark Act, and an opportunity for stating the opinion within a reasonable period was given to the appellant.

### 4 Gist of opinion of the appellant relative to the notice of examination of evidence

The appellant gave the following opinion in response to the above notice of examination of evidence.

(1) Since in real estate comprehensive portal sites of a certain scale or more that publish real estate properties of various transaction forms nationwide such as that operated by the appellant, the number of posted properties never falls below 1 million, it is safe to say that they cover real estate information throughout Japan, the realities of recent transactions are that those who look for real estate properties first access real estate information via these real estate comprehensive portal sites, hoping that the desired information is highly available.

(2) In fields such as real estate portal sites of a certain scale or more that are managed and operated in Japan, display contents are divided into orange, which has a particularly strong distinguishing power, and green, dark blue, and reddish red. Therefore, it is the actual situation that the traders and the customers who come into contact with such a real estate portal site immediately recognize and understand from the orange color that

it is the appellant's website.

(3) Then, in an example of use mentioned in the notice of examination of evidence, it must be said that they are either extremely distantly related to the real estate portal sites of a certain scale or more, or have nothing to do with them, and it must be said that it is irrelevant to determine or judge that the trademark in the application lacks power for distinguishing its services from those of others, on the basis of these facts.

(4) None of the websites is large enough to be called a real estate comprehensive portal site, and it is far below the scale of the real estate comprehensive portal site representing Japan. Further, unlike the person skilled in the art who is assumed by the appellant, consumers do not equate such a website with the real estate comprehensive portal sites. Therefore, it must be said that the trademark in the application on the appellant's website and the example of use are fundamentally and essentially different.

(5) Then, it must be said that such an example of use is completely different in background from the trademark in the application, and it does not affect the existence of power for distinguishing its services from those of others which is originally possessed by the trademark in the application.

## 5 Judgment by the body

### (1) Regarding the trademark in the application

The trademark in the application, as described in Attachment 1, is a trademark consisting Color Mark, and consisting solely of orange (the combination of RGB: R237, G97, and B3), and the designated services thereof are Class 36 "Providing information on buildings or land in a portal site related to real estate installed on the Internet."

### (2) Actual circumstances of trade

Colors used for articles to be provided for use in services or advertisement are often adopted to enhance the attractiveness of the services, and cannot be recognized as marks for indicating the source of the services or distinguishing one's services from those of others.

Then, various colors are used for articles to be provided for use in services or advertisement, and also regarding a color similar to the color of the trademark in the application, in addition to the fact indicated in the original examination, as described in Attachment 2, in the industry closely related to the designated service of the present application, it is actually used for websites.

### (3) Regarding use of the trademark in the application by the appellant

The appellant alleges that "the trademark in the application is widely known to customers and traders as the one displaying the services regarding the business of the

appellant; that is, 'Providing information on buildings or land in a portal site related to real estate installed on the Internet,' and thus it has obtained well-known prominence in Japan, and its well-known prominence still continues at the present," and submitted Reference Material 1 to Reference Material 32 as evidences. According to these evidences and the appellant's allegation, the following facts are recognized.

A Regarding the appellant

The appellant is a company that was founded in 1995, established NEXT INC. that is the predecessor of the appellant in 1997, and had been providing real estate information of our country for about 23 years until it changed to the current name in 2017.

B Regarding use state and using start period of the trademark in the application

(A) The appellant, since 2006, has been using orange recognized to be similar to the trademark in the application (hereinafter, referred to as "the orange") on the website for providing real estate/housing information managed and operated by the appellant (Reference Material 2).

(B) The appellant has been broadcasting a TV commercial using the orange on multiple TV stations.

(4) Regarding applicability of Article (3)(1)(vi) of the Trademark Act

According to (2) above, the trademark consisting solely of a color of orange is recognized as a color adopted to enhance the attractiveness of the services, and according to the fact that a color similar to the trademark in the application is used on websites by persons other than the appellant, it can be said that anyone wants to use the color, and it is not appropriate to have one private person monopolize that.

Then, according to (3) above, it is recognized that the appellant, since 2006, has been using the orange on the website for providing real estate/housing information managed and operated by the appellant, and has been broadcasting a TV commercial using the orange on multiple TV stations.

However, in a use mode of the orange on the website at the time of 2006, the orange color is used as a color for small icons and figures in the website with a white background, and in addition to the orange, colors such as blue and yellow are also used. Thus, it cannot be said that only the orange is used in a conspicuous manner, and there is no additional submission of evidence that confirms the fact that the appellant has been continuously using the orange on the website of the appellant until now.

Also, the evidence with which it can be confirmed that the orange was used for the TV commercial is only two still images of Reference Material 27, and the entire

contents of the commercial is unknown. Further, since the use of the orange in the still images is used as the color of figures and characters such as "LIFULL" and "HOME'S," it is hard to say that only the orange gives a strong impression as independently having a function of indicator of source.

Then, since it cannot be said from these evidences that the trademark in the application makes traders and customers recognize the services as those pertaining to a business of a particular person, and it is not possible to objectively grasp the perception of the consumers about the color of the trademark in the application, it cannot be recognized that the consumers have come to be able to recognize the services as those pertaining to a business of a particular person, as a result of the use of the trademark in the application.

In addition, even from the submitted evidences, there cannot be found the fact sufficiently confirming that only the trademark in the application indicates the source of the services of the appellant to the traders and customers, or is recognized as a sign for distinguishing its services from those of others.

From the above, although the trademark in the application is a trademark consisting solely of a color of orange, in addition to the fact that monopoly use by one private person is not appropriate, it cannot be recognized that it has obtained distinctiveness by its use by the appellant, in a relationship with the designated services. Thus, even if it is used for the designated services of the application, the consumers who come into contact with this will only recognize that it represents a color that is usually used or may be used for articles to be provided for use in the designated services or the decoration of advertisement and the like, and it should be said that it is not recognized as one indicating the source of the services or a sign for distinguishing its services from those of others.

Therefore, the trademark in the application is a trademark by which customers are not able to recognize the services as those pertaining to a business of a particular person, and thus it falls under Article 3(1)(vi) of the Trademark Act.

#### (5) Appellant's allegation

A The appellant submits materials titled "Shareholder Newsletter" from the 15th to 22nd terms of the company (Reference Materials 7-12, 28, and 29), and alleges "In the past 8 years, it has recorded more than 10 billion yen in a single year, and cumulative sales of 130 billion yen or more. In particular, it has achieved overwhelming growth in the last three years, and further growth is expected in 2017. In this way, the website of the appellant has firmly established itself as the top brand of real estate portal sites in Japan. Therefore, it must be said that the trademark in the

application, which is used for the website of the appellant and is actually recognized for its business credit, is widely known to the public and has already acquired the well-known prominence among customers or traders, as the one displaying the services regarding the business of the appellant."

However, since it is not possible to confirm from the submitted materials whether the sales amount is related to the designated service of the present application, and the use state of the trademark in the application is unknown, the degree of consumer perception cannot be estimated.

Therefore, the allegation of the appellant described above cannot be accepted.

B The appellant states that "it should be said that the trademark in the application is widely known and has already acquired the well-known prominence among customers or traders as the one displaying the services regarding the business of the appellant, also in relation to the designated services of the application, 'Agency service for the leasing or rental of buildings or brokerage and other services'."

However, as described in 1 above, since the appellant amended the designated services of the application only to Class 36 "Providing information on buildings or land in a portal site related to real estate installed on the Internet" by the written amendment dated March 8, 2018 submitted at the same time as the demand for appeal, the allegation mentioned above is unreasonable.

C The appellant submitted in the written supplemental amendment to the written statement dated July 20, 2018 that customer awareness research regarding the trademark in the application entitled "regarding relationship research between 'orange' and 'a real estate/housing information site name'" (Reference Material 30) investigated and reported by Hakuhodo Inc., and alleges in the written statement that "not only do many consumers or traders who come into contact with the trademark in the application recognize that the trademark in the application merely represents a color that is usually used or may be used for articles to be provided for use in services or advertisement, but also it makes the customers or traders intuitively recognize and understand that it is the services regarding the business of the appellant; that is, 'Providing information on buildings or land in a portal site related to real estate installed on the Internet'."

However, the awareness research is an awareness research of the trademark in the application to persons who answered the name of "LIFULL HOME'S" or "HOME's" that is the name of the website of the appellant, as free answers, for the name of "a real estate/housing information site," and cannot be said to be the result of research on the recognition of all consumers regarding the trademark in the application. Thus, it cannot be accepted.

D The appellant alleges in the written statement dated July 20, 2018 that "a site that publishes only real estate information that can be brokered by ourselves, is 'an information site related to real estate installed on the Internet,' and is different from 'a portal site related to real estate installed on the Internet' and has different customers. When judging the trademark in the application regarding 'a portal site related to real estate installed on the Internet,' it is unreasonable to refer to the use case of a color in 'an information site related to real estate installed on the Internet'."

However, no specific evidence supporting the appellant's allegation has been submitted, and it cannot be adopted, since it is the appellant's original allegation.

E The appellant alleges in the written opinion to the notice of examination of evidence dated October 31, 2018 that "In fields such as real estate portal sites of a certain scale or more that are managed and operated in Japan, display contents are divided into orange, which has a particularly strong distinguishing power, and green, dark blue, and reddish red. Therefore, it is the actual situation that the traders and the customers who come into contact with such a real estate portal site immediately recognize and understand from the orange color that it is the appellant's website. Then, in an example of use given by the body, it must be said that they are either extremely distantly related to the real estate portal sites of a certain scale or more, or have nothing to do with them, and it must be said that it is irrelevant to determine or judge that the trademark in the application lacks power for distinguishing its services from those of others, on the basis of these facts. ...None of the websites is large enough to be called a real estate comprehensive portal site, and it is far below the scale of the real estate comprehensive portal site representing Japan. Further, unlike the person skilled in the art who is assumed by the appellant, consumers do not equate such a website with the real estate comprehensive portal sites. Therefore, it must be said that the trademark in the application on the appellant's website and the example of use are fundamentally and essentially different. Then, it must be said that such an example of use is completely different in background from the trademark in the application, and it does not affect the existence of power for distinguishing its services from those of others which is originally possessed by the trademark in the application."

However, since the examples indicated in the notice of examination of evidence show examples where in various colors, including colors similar to the trademark in the application, are commonly used as decorations and patterns of advertisements of services on many websites related to real estate, as a result of investigating the actual situation of the use by others in judging the validity of the private use of the trademark consisting Color Mark, these examples of use are facts that should be considered in

determining whether or not the trademark in the application can be registered, and the appellant's allegation does not have influence on the judgment.

(6) Summary

As described above, the trademark in the application falls under Article 3(1)(vi) of the Trademark Act, and thus it cannot be registered.

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

July 31, 2019

Chief administrative judge: YAMADA, Masaki

Administrative judge: OMATA, Katsumi

Administrative judge: KISHINO, Katsuya

Attachment 1 (the trademark in the application)

(1) The trademark for which registration is sought (See original for colors.)



省略 Omitted

(2) Detailed explanation of trademark

The trademark for which registration is sought consists solely of orange (the combination of RGB: R237, G97, and B3).

Attachment 2 (The fact notified by the notice of examination of evidence)

In an industry that is closely related to services of "Providing information on buildings or land in a portal site related to real estate installed on the Internet" that is the designated services of the application amended by the written amendment dated March 8, 2018 by the body, there are examples in which a color similar to the orange color of the trademark in the application is used for a company logo or website.



(1) On the website of "LIXIL ERA Japan Corporation," along with the description of "ERA real estate online of LIXIL real estate shop The real estate comprehensive portal site for buying, selling, renting, and managing," orange is used for the decoration of the website.

(<https://www.erajapan.co.jp/>)



省略 Omitted

(2) On the website of "MARUYOSHI," along with the description of "For real estate in Koshigaya and Kitakoshigaya, please contact Century 21 MARUYOSHI. Property information area No. 1!," orange is used for the decoration of the website.

(<https://www.century21saitama.com/>)



省略 Omitted

(3) On the website of "Up Right, Co., Ltd," along with the description of "We have a wealth of property information available!! / Up Right Co., Ltd.," orange is used for the decoration of a logo or the website.

(<http://www.up-light.co.jp/>)



省略 Omitted

(4) On the website of "DAIKOU Real Estate, Co., Ltd.," along with the description of "For real estate management around Ginowan-shi, Okinawa Prefecture, please contact Daiko Real Estate. Rental, sale, purchase, auction withdrawal, voluntary sale consultation," orange is used for the decoration of a logo or the website.  
(<https://daikou-fudousan.com/>)



省略 Omitted

(5) On the website of "Marusho Chintai Center Ltd.," orange is used for the decoration of a logo or the website.  
(<http://marusyo-chintai.co.jp/>)



省略 Omitted

(6) On the website of "Home Agent, Future Frontier Investment," along with the description of "Looking for rooms, brokerage, rental, sales, store, and management / Home Agent," orange is used for the decoration of a logo or the website.  
(<http://www.home-a.co.jp/>)



省略 Omitted

(7) On the website of "Orange-Fudosan (Orange Co., Ltd)," along with the description of "Please contact Orange-Fudosan for looking for rental properties and management in Nakano," orange is used for the decoration of a logo or the website.  
(<https://www.orange-kk.com/>)



省略 Omitted

(8) On the website of "iimy Inc," along with the description of "A lot of fresh properties / Orange Real Estate," orange is used for the decoration of the website.  
(<http://www.orangehousing.jp/>)



省略 Omitted

(9) On the website of "Double Orange Co., Ltd," along with the description of "If you want to live in Hino! Then, please contact the real estate company 'Double Orange' specialized in Hino City!," orange is used for the decoration of a logo or the website.  
(<https://www.d-orange.jp/>)



省略 Omitted

(10) On the website of "EFT Co., Ltd.," along with the description of "We will create and distribute vibrant real estate, and provide the properties you are looking for (housing, profitable properties, etc.) so that we can answer your needs!," orange is used for the decoration of a logo and the website.  
(<http://www.eft-osaka.jp/>)



省略 Omitted