

Trial Decision

Invalidation No. 2019-890084

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The case of trial regarding the invalidation of trademark registration for Trademark Registration No. 5727369 between the parties above has resulted in the following trial decision.

Conclusion

The registration for Trademark Registration No. 5727369 is invalidated.

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

Reason

No. 1 The Trademark

The trademark with Trademark Registration No. 5727369 (hereinafter referred to as the "Trademark"), as shown in Attachment 1, consists of two-tiered character strings, where one is "ロイヤルプラウド (ROYAL PROUD)" written in katakana and the other one is "ROYAL PROUD" written in Alphabetic characters, and the application for its registration was filed on October 10, 2013, the trademark was approved for registration on November 11, 2014, and was registered on December 19, 2014 with designated services of Class 36 "Management of buildings; intermediary or agency of building lease; lease of buildings; sales and purchase of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on buildings or land."

No. 2 Cited Trademark

The Demandant cites two registered trademarks below (collectively referred to as

"the Cited Trademark") as a reason to invalidate the trademark's registration, and they are still valid as of now.

1 Trademark Registration No. 4682402 (hereinafter referred to as "Cited Trademark 1"), as shown in Attachment 2, consists of two-tiered character strings, where one is "プラウド (PROUD)" written in katakana and the other one is "PROUD" written in Alphabetic characters, the application for its registration was filed on October 30, 2002, and the trademark was registered on June 13, 2003 with designated goods and designated services of Class 16 "Printed matter", and "Class 36 "Management of buildings; intermediary or agency of building lease; lease of buildings; sales and purchase of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on buildings or land." After that, the renewal of duration of the trademark right was registered on February 26, 2013.

2 Trademark Registration No. 5065990 (hereinafter referred to as "Cited Trademark 2") is configured as indicated in Attachment 3, the application for its registration was filed on November 17, 2006, the trademark was registered on July 27, 2007 with its designated goods and designated services of Class 36 including "Management of buildings; intermediary or agency of building lease; lease of buildings; sales and purchase of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on building or land.", Class 16 and Class 37 which are as specified in the Trademark Registry. After that, the renewal of duration of the trademark right was registered on July 11, 2017.

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 Evidences A No. 1 to A No. 37 (including their branch numbers) as means of evidence.

1 Gist of the reasons of the demand

Since the Trademark is similar to the Cited Trademark, and is used for services identical or similar to the designated services relating to the registration, it falls under Article 4(1)(xi) of the Trademark Act.

Further, since the Trademark is similar to the trademark "PROUD (プラウド)" that has been used extensively by the Demandant for many years and is well known and

prominent among consumers and traders, and is liable to create confusion in connection with the services relating to the business of the Demandant, it falls under Article 4(1)(xv) of the Trademark Act.

Therefore, the Trademark should be invalidated under the provisions of Article 46(1)(i) of the Trademark Act.

2 Reasons for invalidation of the Trademark

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

A Summary of the Trademark and the Cited Trademark

The Trademark consists of two-tiered character strings, where one is "ロイヤル プラウド (ROYAL PROUD)" written in katakana and the other one is "ROYAL PROUD" written in Alphabetic characters, and its designated services are Class 36 "Management of buildings; intermediary or agency of building lease; lease of buildings; sales and purchase of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on buildings or land."

On the other hand, Cited Trademark 1 is configured as indicated in Attachment 2, and its designated services include Class 36 "Management of buildings; intermediary or agency of building lease; lease of buildings; sales and purchase of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on buildings or land."

Also, Cited Trademark 2 is configured as indicated in Attachment 3 and its designated services include Class 36 "Management of buildings; intermediary or agency of building lease; lease of buildings; sales and purchase of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on buildings or land."

B Similarity of the designated services of the Trademark and the Cited Trademark

Both the Trademark and the Cited Trademark are trademarks that cover services relating to the so-called real estate business of Class 36, and the Trademark and the Cited Trademark are identical or similar in the designated services.

C Comparison of the Trademark and the Cited Trademark

Observing the Alphabetic characters of the Trademark, since a space is provided

between "L" and "P," it is regarded as a combination of the existing words "ROYAL" and "PROUD," and the katakana on the upper stage is understood to write its natural readings.

Then, the characters "ROYAL (ロイヤル)" in the configuration is a relatively simple English word, and is well known in Japan as the meaning of "the king's, or wonderful" (Evidence A No. 4), and in particular, in commercial transactions, it is often used as to express pride in quality to indicate that the grade of goods and services is excellent (Evidence A No. 5 to A No. 8).

Therefore, it is appropriate to evaluate the "ROYAL (ロイヤル)" part of the Trademark as a part with weak characteristics as a trademark.

On the other hand, although the word "PROUD (プラウド)" has a meaning such as "proud, brag, and magnificent" (Evidence No. 4), since there is no particular meaning to express any product or service content normally, and there is no reason that it is normally used in transactions, in the Trademark, "PROUD" should be regarded as having stronger characteristics as a trademark than "ROYAL," and there is a big difference between the two words in terms of distinguishability between the two words.

Therefore, since in this trademark, the proud display "ROYAL," which has weak distinctiveness, is written separately from "PROUD" with a space, "PROUD," which has strong distinctiveness, is seen as the main part of the trademark, which is an identification mark, and "ROYAL," as a proud display, makes consumers and traders recognize that it is a high-end version or a high-end model of "PROUD".

As described above, it is clear that "ROYAL" will be removed from the Trademark and "PROUD" will contribute to the transaction as the main part of the trademark.

Then, comparing with the main part "PROUD" of the Trademark, the composition of the Alphabetic characters is the same as that of the Cited Trademark, so that the Trademark is similar to the Cited Trademark because the pronunciation is the same first and then the meaning and appearance are also common.

In addition, the Cited Trademark "PROUD (プラウド)" relating to the use of the Demandant is a trademark widely known among consumers and traders of real estate relating to the designated service of the Trademark.

Then, as compared with "ROYAL," which is merely a proud display, the distinctiveness of the well-known and prominent trademark "PROUD" is overwhelming, and it can be said that the "PROUD" part of the Trademark is strongly dominant as an identification mark.

Therefore, the Trademark is inevitably compared only in the "PROUD" part.

D Summary

As described above, in the Trademark, the "PROUD" part serves as the main part

of the trademark and contributes to transactions, and the Trademark is similar to the Cited Trademark, which is common with the main part of the Trademark in pronunciation, meaning, and appearance, and the Trademark is used for the services identical or similar to the designated serves of the Cited Trademark, so that it falls under Article 4(1)(xi) of the Trademark Act.

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

A Regarding the prominence of the Demandant's trademark "PROUD (プラウド)"

(A) Outline

The Demandant is a company that operates real estate businesses such as condominium/house sales and building leasing, and is a major industry leader that has expanded its business extensively for a long period of more than half a century.

Then, "PROUD (プラウド)" is the core brand of the housing business by the Demandant, and since the brand was released in December 2002, it has been developed in metropolitan areas, such as Tokyo, Kansai, Nagoya, Sendai to this day. As a result, the "PROUD" brand has come to be widely known not only in the real estate industry but also among general consumers as a trademark indicating the building properties of the Demandant.

(B) Regarding the business relating to "PROUD (プラウド)" of the Demandant

"PROUD" is a core brand of the housing business by the Demandant, and is mainly used as the property name of condominium series.

Specifically, it is used as a configuration in which the location of the property is followed by "PROUD," such as "PROUD NAKAMEGURO" (Evidence A No. 11), or used as the property name by adding a sub-name after that for the reason that it is the second or subsequent property at the same location, such as in "PROUD SAGINOMIYA AIRY COURT" (Evidence A No. 11).

The Demandant has consistently used "PROUD" in the company's finest properties, which deserve to be called luxury condominiums (housing).

Further, the aforementioned "PROUD NAKAMEGURO" and "PROUD SAGINOMIYA AIRY COURT" are standard properties with middle stories, and basically "PROUD" is used alone for similar properties. For large-scale properties, "PROUD CITY" is mainly used because it is thought that the property itself forms a kind of city. In addition, by using "PROUD TOWER" for high-rise properties, "PROUD SEASON" for houses for sale, and furthermore, "PROUD FLAT" for rental properties, various types of properties are developed while unifying the overall brand concept.

By making "PROUD" into a series and developing a wide range of businesses, the Demandant is aiming for effective penetration into consumers, and the Demandant has

secured trademark registration for all of the above series names.

The Demandant's "PROUD" brand properties have already counted hundreds from the time the brand was launched to the present day, and boast the largest series of residential properties in Japan.

Even if it is limited to only the properties that started to be sold from 2008 until the time of registration of the Trademark, there are many properties, including 279 in the Tokyo metropolitan area, 65 in Kansai, 46 in Nagoya (Aichi), and 23 in Sendai (Evidence A No. 12).

Due to such vigorous business development, the Demandant became the industry leader in terms of the number of condominium supply units nationwide in 2012 (Evidence A No. 13), and most of them are properties bearing "PROUD".

(C) Advertising performance of individual properties

In a model room, the "PROUD" brand is displayed and advertised everywhere, and a set of pamphlets for individual properties distributed to visitors and purchase applicants is an example thereof (Evidence A No. 14-1 to Evidence A No. 14-12). Since such pamphlets are important for the sale of condominiums, they are created for almost all properties.

In addition, the Demandant carries out advertisement by leaflets mainly in the vicinity of each "PROUD" property according to the release time of the property. Typical distribution methods are newspaper insert leaflets and mailing. It is not uncommon to distribute several types of insert leaflets per property, but representative leaflets are submitted. (Evidence A No. 15-1 to Evidence A No. 15-11)

In 2008, the number of leaflets distributed was about 124 million for properties in the Tokyo metropolitan area alone, and about 127 million in total nationwide. Since then, nationwide, it reached about 75 million copies in 2009, about 68 million copies in 2010, about 100 million copies in 2011, about 154 million copies in 2012, about 90 million copies in 2013, and about 73 million copies in 2014.

For individual property advertisements, magazine advertisements are carried out in real estate information magazines, in "SUUMO (metropolitan area version) published by Recruit Co., Ltd.," which boasts the largest circulation as a real estate information magazine, a large amount of "PROUD" properties are advertised (Evidence A No. 17-1 to Evidence A No. 17-25).

As mentioned above, the number of properties of "PROUD" is very large, and any one of the properties is always for sale, so the property information of "PROUD" is posted as in each issue.

In addition, the Demandant is also actively developing advertisements using the

Internet; "PROUD" has created a dedicated homepage for all properties for sale and is open to the public (Evidence A No. 19-1 to Evidence A No. 19-27).

Then, banner advertisements are attached to various sites to expose "PROUD" (Evidence A No. 20), and property information is provided by guiding viewers to the homepage of each property.

The number of impressions of banner advertisements by property is as shown in the column of the property list "Number of impressions of WEB advertisements (banners)". Even if it is limited to what can be currently confirmed, in the nationwide total, it has reached a huge number of views, such as approximately 390 million times in 2011, more than 1.3 billion times in 2012, more than 1.4 billion times in 2013, more than 2 billion times in 2014, and more than 3.4 billion times in 2015 (Evidence A No. 12).

As described above, the Demandant advertises the "PROUD" properties extensively through various media. Since the mark that is substantially the same as the Cited Trademark is prominently displayed on these advertisements, there are extremely many opportunities for consumers to see the Cited Trademark.

(D) Achievements of "PROUD" image advertising

Since the release of the "PROUD" brand, the Demandant has been conducting large-scale TV commercials in Tokyo, Osaka, Aichi, Miyagi and its suburbs almost regularly every year in the two seasons of New Year and Summer, and the Demandant's "PROUD" brand is widely promoted through the powerful communication medium that is television.

Although the content of the commercial varies depending on the time of airing, it is consistent in that the Demandant's trademark "PROUD" is displayed in large size and an impressive voice saying "Proud" is used (Evidence A No. 21).

Consequently, it is not hard to imagine that the exposure of the Demandant's trademark is enormous.

The image advertisement of the "PROUD" brand is also widely carried out in newspapers, and although the Demandant has put up a large number of advertisements in national newspapers and leading newspapers such as Nihon Keizai Shimbun and Asahi Shimbun (Evidence A No. 25), in particular, the Nihon Keizai Shimbun has published a full-page advertisement (15-stage size) every year from 2008 to 2017, at least during the New Year.

An outline of newspaper advertisements in the Nihon Keizai Shimbun since 2008 (Evidence A No. 26), typical advertisement examples (Evidence A No. 27-1 to Evidence A No. 27-7), and a copy of the advertisement manuscript are submitted (Evidence A No. 28-1 to Evidence A No. 28-10), as seen from the advertisement examples (Evidence A

No. 27-1 to Evidence A No. 27-7). Then, since the advertisement of the Demandant occupies the entire page or the entire spread, and "PROUD" is prominently displayed in a prominent part of the page, it is certain that the "PROUD" brand will remain vivid in the reader's memory.

The full-page advertisement of "PROUD" is published in color and throughout the country in national newspapers such as the Nihon Keizai Shimbun, which boasts a circulation of millions, and it costs hundreds of millions of yen every year. Then, it must be said that the exposure and impact of the Demandant's trademark "PROUD" on general consumers is enormous.

The Demandant has also posted image advertisements and special articles of "PROUD" in the leading housing information magazine "SUUMO Newly Built Condominium" published by Recruit Co., Ltd. (Evidence A No. 29-1 to Evidence A No. 29-21). The number of advertisements posted in various magazines of Recruit Co., Ltd. each year is 56 times in total every month for 2008, 20 times in total in 2009, 8 times in 2010, 8 times in 2011, 11 times in 2012, 9 times in 2013, and 6 times in 2014, etc., and it has been on a downward trend since 2010, because the focus is shifting to Internet advertising.

In addition, with the expansion of use of the Internet by consumers and their influence, the Demandant has recently emphasized Internet advertising.

Looking at the annual advertising expenses for "PROUD" (Evidence A No. 31), as a whole, "PROUD" is actively promoted by investing a huge amount of money from 8 billion yen to over 10 billion yen every year; the ratio of Internet advertising expenses to that is increasing year by year, and now it is from 3 billion yen to over 4 billion yen.

In addition, the official website of "PROUD" has been set up to promote the brand's penetration, and by putting banner advertisements of properties or the "PROUD" brand on the official website of the housing information site "SUUMO" and known portal sites such as "Yahoo! JAPAN," there are many opportunities for not only real estate consumers but also general consumers to see the brand.

Furthermore, the Demandant's "PROUD" properties are also highly regarded in design and receive the Good Design Award almost every year (Evidence A No. 33).

It can be said that the public attention has been further focused on the "PROUD" properties by receiving the Good Design Award; the award history has greatly contributed to the penetration of the "PROUD" brand and the enhancement of fame.

(E) General perception of "PROUD" of the Demandant

Through the aggressive advertising strategy and corporate efforts of the Demandant as described above, the "PROUD" brand has established itself as the core

brand of the Demandant's housing business, and its fame is so widespread throughout Japan that it surpasses the other major condominium brands in the same industry. Therefore, there is no doubt that the Demandant's "PROUD" is well known and prominent among consumers and traders.

In a 2009 questionnaire on condominium brands conducted by Nikkei Inc., the Demandant's "PROUD" was ranked second after "Lions Mansion," and 69.3% of the respondents answered that they knew "PROUD" (Evidence A No. 34-1).

Further, in the same questionnaire, regarding the brand image of "PROUD," it won first place in items such as "there is a sense of security," "there is a sense of luxury," "first-class," "reliable," "sophisticated," "good taste," and "individuality," and it is possible to see the accumulation of credit for "PROUD".

This questionnaire is continuously conducted every year, and also from the recognition level of "PROUD" after 2010 (Evidence A No. 34 to Evidence A No. 34-10), about 80% of consumers continuously answered that they knew "PROUD," and it is clear that "PROUD" is well known and prominent as a condominium brand.

Also, looking at the cases where the Demandant's "PROUD" was mentioned in newspapers and magazines (Evidence A No. 35-1 to Evidence A No. 35-275), it is easy to see the high level of credit and popularity of the Demandant's "PROUD" among consumers and traders.

As seen from this, the credit and popularity of the "PROUD" brand is very high, and it is clear that "PROUD" was already widely known to consumers and traders in general, and its fame is still growing.

(F) Summary regarding well-known prominence

Due to the business activities and advertising strategies of the Demandant over many years as described above, there is no doubt that "PROUD" was well known and prominent as a trademark relating to the real estate business of the Demandant at the stage before the registration date of the Trademark.

B Regarding possibility for causing confusion

As mentioned above, the Demandant's trademark "PROUD (プラウド)" is well known and prominent in the real estate field, and the "PROUD" brand, which includes "PROUD SEASON," "PROUD TOWER," "PROUD CITY," "PROUD CLUB," etc., has been serialized and is being expanded extensively.

Then, the Trademark has a configuration combining "ROYAL (ロイヤル)" and "PROUD (プラウド)".

The word "ROYAL" has the meaning of "the king's, or wonderful," and in transactions, it has the meaning of "excellent, advanced" as a display of quality/proud.

Therefore, when combined with the well-known and prominent "PROUD" in the real estate industry, it is grasped as one of the many Demandant's "PROUD" series, and it is not difficult to imagine that "ROYAL" will be misunderstood as a luxury version or a high-end model of the Demandant's "PROUD" as its proud display thereof.

Therefore, given the high well-known prominence of the Demandant's trademark in the industry, it is clear that the use of the Trademark may cause confusion of the source in relation to the Demandant's business. Therefore, considering the high well-known prominence of the Demandant's trademark in the industry, it is clear that the use of the Trademark may cause confusion of the source in relation to the Demandant's business, and it must be said that there is a risk of damaging or diluting the credit and customer attraction of "PROUD" which has been built up by the Demandant's sincere business activities and brand management over many years.

C Summary

Based on the above, the consumers and traders who come into contact with the Trademark falsely recognize the "Trademark" as the Demandant's "PROUD" that is well-known and prominent in the real estate industry, and falsely recognize the goods and services with the "Trademark" as the goods and services relating to the Demandant or the goods and services provided by a person who has some financial or organizational relationship with the Demandant, and may cause confusion about its source.

Therefore, if the Trademark is used for the designated services, it may cause confusion in connection with the services relating to the business of the Demandant, and thus the Trademark falls under Article 4(1)(xv) of the Trademark Act.

3 Concluding Remarks

As described above, the Trademark falls under Article 4(1)(xi) and (xv) of the Trademark Act, and cannot be granted registration for a trademark, so that its registration should be invalidated under the provisions of Article 46(1)(i) of the Trademark Act.

No. 4 The Demandee's reply

The Demandee made a reply for requesting a trial decision that the request for the trial of the case is 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 and Evidence B No. 2 as means of proof.

1 Statement of the reply

(1) Content of notice of reasons for refusal

In the examination of the Trademark, the reasons for refusal were notified on March 3, 2014. The content of notice of reasons for refusal is that "the trademark

relating to the application for trademark registration is identical or similar to Cited Trademark 1 (Trademark Registration No. 4682402) and Cited Trademark 2 (Trademark Registration No. 5065990), and is used for the goods (services) identical or similar to the designated goods (designated services) of the trademarks, so that it falls under Article 4(1)(xi) of the Trademark Act" (Evidence B No. 1).

(2) Content of written opinion

Against this, the Applicant for trademark registration (Demandee) submitted a written opinion on April 8, 2014. In the written opinion, the Demandee stated that "the Trademark is a trademark in which 'PROUD'(B) is combined with 'ROYAL' (A)," listed examples of registrations in which the A + B trademark and the A or B trademark were judged to be dissimilar, and alleged that it does not fall under Article 4(1)(xi) of the Trademark Act (Evidence B No. 2).

Then, as a result of the assertion of the written opinion being accepted, the trademark was approved for registration on November 11, 2014.

(3) Respect for judgment in examination

Cited Trademark 1 and Cited Trademark 2 cited at the examination stage of the Trademark are identical to a trademark earlier applied for and which earlier received a registration of Article 4(1)(vi) of the Trademark Act described in the written demand for trial. That is, the Demandant alleges that it falls under Article 4(1)(vi) of the Trademark Act on the basis of the Cited Trademark identical to the examination stage.

In addition, although the Demandant alleges that it falls under Article 4(1)(xv) of the Trademark Act on the basis of the well known prominence of the trademark "PROUD (プロウド)" used by the Demandant, no indication was made regarding this item at the examination stage of the Trademark.

The Demandee has maintained the trademark registration without any doubt about the judgment of the validity of the Trademark made through the examination of the Trademark. Even if it is legally permitted that a trademark registration once approved is invalidated, the judgment in the examination should be fully respected.

(4) Closing

As described above, the Trademark does not fall under Article 4(1)(xi) and (xv) of the Trademark Act, and its trademark registration does not fall under Article 46(1)(i) of the Trademark Act.

No. 5 Judgment by the body

Since the Demandant has no dispute over the interests in requesting the trial, the proposal will be judged.

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

(1) Regarding the prominence of the Cited Trademark

A According to the proof submitted by the Demandant and the allegation, it is as follows.

(A) The Demandant is a company that runs a real estate business such as condominium/house sales and building leasing, and has been developing the business for a long period of more than half a century.

(B) "PROUD" is the core brand of the housing business by the Demandant, and since the brand was released in December 2002, it has been developed in metropolitan areas, such as Tokyo, Kansai, Nagoya, Sendai to this day.

(C) "PROUD" and "プラウド" are mainly used as property names in a condominium series (Evidence A No. 11).

(D) The "PROUD" and "プラウド" brand properties handled by the Demandant have already counted hundreds since the brand was launched, and are the largest series of residential properties in Japan. Even if limited to only the properties that have started to be sold from 2008 to the time of registration of the Trademark, there are many properties in areas such as the Tokyo metropolitan area, Kansai, Nagoya (Aichi), and Sendai (Evidence A No. 12). The Demandant became the industry leader in the number of condominium supply units nationwide in 2012 (Evidence A No. 13), and most of them are properties bearing "PROUD".

(E) When selling condominiums, the model room displays the "PROUD" brand for advertising, and the pamphlets of individual properties display Cited Trademark 2 (Evidence A No. 14).

(F) The Demandant carries out advertisement by leaflets mainly in the vicinity of each "PROUD" property according to the release time of the property, and Cited Trademark 2 is also displayed on the copies of the leaflets inserted in newspapers (Evidence A No. 15)

In 2008, the number of each leaflet created and distributed was about 124 million for properties in the Tokyo metropolitan area alone, and about 127 million in total nationwide. Since then, nationwide, it reached about 75 million copies in 2009, about 68 million copies in 2010, about 100 million copies in 2011, about 154 million copies in 2012, about 90 million copies in 2013, and about 73 million copies in 2014 (Evidence A No. 12 and Evidence A No. 16).

(G) For individual property advertisements, magazine advertisements are carried out in real estate information magazines, in "SUUMO (metropolitan area version)," which is issued by "Recruit Co., Ltd.," "PROUD (プラウド)" is advertised (Evidence A No. 17), and also in the housing information site "SUUMO (Kanto version)," "PROUD (プラウド)" is advertised (Evidence A No. 18).

(H) The Demandant is also developing advertisements using the Internet, "PROUD" has created a dedicated homepage for all properties for sale (Evidence A No. 19) and by attaching banner advertisements to various sites and guiding the viewer, property information is provided (Evidence A No. 20). Also, Cited Trademark 2 is displayed in these advertisements.

(I) The Demandant has been airing TV commercials in Tokyo, Osaka, Aichi, Miyagi and its suburbs since the release of the "PROUD" brand (Evidence A No. 21 and Evidence A No. 22), and has put up a large number of advertisements in national newspapers and leading newspapers such as Nihon Keizai Shimbun and Asahi Shimbun (Evidence A No. 25 to Evidence A No. 28).

(J) The Demandant has posted image advertisements and special articles on "PROUD (プロウド)" in housing information magazines (Evidence A No. 29), and the number of advertisements posted in various magazines of Recruit Co., Ltd. is 56 times in 2008, 20 times in 2009, 8 times in 2010, 8 times in 2011, 11 times in 2012, 9 times in 2013, 6 times in 2014, etc. (Evidence A No. 30).

(K) The actual annual advertising expenses for "PROUD" from FY2008 to FY2017 are 8 billion yen to over 10 billion yen every year (Evidence A No. 31).

(L) The Demandant's "PROUD" properties have received the Good Design Award almost every year between 2004 and 2018 (Evidence A No. 33).

(M) In the 2009 questionnaire on condominium brands conducted by Nikkei Inc., the Demandant's "PROUD" was ranked second after "Lions Mansion," and 69.3% of the respondents answered that they knew "PROUD" (Evidence A No. 34-1). This questionnaire is continuously conducted every year, from 2010 to 2018, it also won second place, and about 70% to 80% of consumers answered that they knew "PROUD" (Evidence A No. 34-2 to Evidence A No. 34-10).

(N) Newspapers and magazines also have many articles about "PROUD (プロウド)" by the Demandant (Evidence A No. 35).

B Judgment

Considering that a defensive mark registration is permitted for Cited Trademark 2 (Evidence A No. 10) and the above-mentioned recognized fact, it is reasonable that Cited Trademark 2 had been widely recognized by traders and consumers even before the application for registration of the Trademark, as a trademark used by the Demandant for "sales and purchase of buildings (condominiums)," and this recognition continued upon the decision for registration of the Trademark.

Then, Cited Trademark 2 has the configuration as shown in Attachment 3, and has the Alphabetic characters of "PROUD" prominently. Looking at the introductory

articles listed in A above, it is reasonable that the characters "PROUD" and "プラウド" had been also widely recognized by traders and consumers even before the application for registration of the Trademark, as a trademark used by the Demandant for "sales and purchase of buildings (condominiums)".

Therefore, it should be said that the Cited Trademark had been widely recognized by traders and consumers even before the application for registration of the Trademark, as a trademark displaying "sales and purchase of buildings (condominiums)".

(2) Regarding similarity of the Trademark and the Cited Trademark

The Trademark consists of two-tiered character strings, where one is "ロイヤルプラウド (ROYAL PROUD)" written in katakana and the other one is "ROYAL PROUD" written in Alphabetic characters, and the configuration prominently includes "PROUD" and "プラウド" which had been also widely recognized by traders and consumers at the time of the application for registration and the decision for registration of the Trademark, as a trademark displaying "sales and purchase of buildings (condominiums)". Therefore, it should be said that the similarity of the Trademark and the Cited Trademark is high.

(3) Regarding association between the designated services of the Trademark and the designated services relating to the business of the Demandant

The designated services of the Trademark include "sales and purchase of buildings," and the service is identical or similar to "sales and purchase of buildings (condominiums)" relating to the business of the Demandant. Further, "management of buildings; intermediary or agency of building lease; lease of buildings; intermediary or agency of sales and purchase of buildings; building or land appraisal; management of land; intermediary or agency of land lease; lease of land; sales and purchase of land; intermediary or agency of sales and purchase of land; provision of information on buildings or land." that are the designated services other than "sales and purchase of buildings" and "sales and purchase of buildings (condominiums)" relating to the business of the Demandant should be regarded as real estate related business regulated by the Building Lots and Buildings Transaction Business Law, mainly, and it can be said that they are often provided by the same business operator.

Therefore, it is reasonable that the designated services of the Trademark and the designated services relating to the business of the Demandant are highly related services.

(4) Regarding commonality of consumers

As described in (3) above, since the designated services of the Trademark and the designated services relating to the business of the Demandant are highly related services, in many cases, the category of consumers is the same.

(5) Summary

As described above, it can be said that the Cited Trademark has been widely known among consumers and traders as a trademark displaying the services relating to the business of the Demandant in our country, the designated services of the Trademark and the designated services relating to the business of the Demandant are highly related services, consumers thereof are common, and the degree of similarity between the Trademark and the Cited Trademark is high.

Then, if the holder of the Trademark right uses the Trademark for the designated services, it should be said that consumers and traders who come into contact with the Trademark may associate or recall the Cited Trademark, and may cause confusion in connection with the source of the services as if the services relate to the business of the Demandant or a person who has some financial or organizational relationship with the Demandant.

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

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

(1) The Trademark

The Trademark is configured as shown in No. 1 above. The characters of the configuration are represented in a cohesive and integrated manner in appearance, and the pronunciation of "Royal Proud" that arises from the entire configuration can also be called in a series without difficulty.

Then, neither the letters "ロイヤルプラウド" nor "ROYAL PROUD" are words that are described in dictionaries, etc., and even if the characters "ロイヤル" or "ROYAL" in the configuration of the Trademark are words meaning "the king's, the royal family's, the best, the highest," etc. (Evidence A No. 4), it is difficult to say that the words are immediately understood as a concrete indication of the quality of the services, so that it is natural to recognize and grasp that the Trademark is a uniformly integrated word with the entire configuration.

Therefore, the Trademark generates only the pronunciation of "Royal Proud" corresponding to the entire configuration of characters, and does not generate a specific meaning.

(2) Cited Trademark

Cited Trademark 1 and Cited Trademark 2 are configured as shown in No. 2 above, and since both of them prominently have the characters of "PROUD" or "プラウド," the pronunciation of "Proud" is generated corresponding to the characters and generate to the meaning of "proud, brag" (Evidence A No. 4) etc. Also, as described in 1(1) above, since the Cited Trademark has been widely recognized among consumers and traders as

a trademark displaying "sales and purchase of buildings (condominiums)" relating to the handling of the Demandant, the meaning of "the brand of condominiums relating to the handling of the Demandant" is generated.

(3) Similarity of the Trademark and the Cited Trademark

The Trademark and the Cited Trademark are respectively configured as shown in (1) and (2) above. In terms of appearance, there is a clear difference that is the presence/absence of the characters "ROYAL" and "ロイヤル," so that the two can be clearly distinguished.

Further, the pronunciation of "Royal Proud" generated from the Trademark and the pronunciation of "Proud" generated from the Cited Trademark are clearly different in terms of the number of constituent sounds and constituent sounds, so that the two can be clearly distinguished by sounds.

Also, the Cited Trademark generates the meaning of "proud, brag," and "the brand of condominiums relating to the handling of the Demandant," whereas the Trademark does not generate a specific meaning, so that there is no risk of being confused in the meaning.

Therefore, it is reasonable to say that the Trademark and the Cited Trademark are not similar to each other and are not confused with each other in the points of the appearance, pronunciation, and meaning.

(4) Summary

As described in (3) above, since the Trademark and the Cited Trademark are not similar to each other, even if the designated services of the two trademarks are similar to each other, the Trademark does not fall under Article 4(1)(vi) of the Trademark Act.

3 Closing

As described above, even if the Trademark does not fall under Article 4(1)(xi) of the Trademark Act, it falls under Article 4(1)(xv) of the Trademark Act. The Trademark was registered while violating the provisions of Article 4(1) of the Trademark Act, and therefore its registration should be invalidated under the provisions of Article 46(1) of the Trademark Act.

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

December 23, 2020

Chief administrative judge: YAMADA, Masaki

Administrative judge: TOMISAWA, Mika

Administrative judge: SUZUKI, Masaya

[Attachment 1]

The Trademark

ロイヤルプラウド
ROYAL PROUD

[Attachment 2]

Cited Trademark 1

プラウド
PROUD

[Attachment 3]

Cited Trademark 2 (See original for colors)

— PROUD —