

**Recent Court Decisions relating to  
Distinctiveness and Acquired Distinctiveness  
of Three-Dimensional Trademarks**

**April 17, 2001  
(Revised on September 12, 2001)**

**Kaoru Suzuki  
Yuasa and Hara**

The Japanese Trademark Law of 1959 as amended in 1996 adopted a three-dimensional trademark registration system which became effective as from April 1, 1997. The Tokyo High Court rendered a decision on December 21, 2000 denying the distinctiveness and acquired distinctiveness of a three-dimensional trademark for which an application had been filed [Tokyo High Court Case No. Heisei 11 (Gyo-ke) 406<sup>1</sup>]. It appears that the plaintiff filed with the Supreme Court a final appeal and a petition for discretionary review of the said decision on December 27, 2000; however, the Supreme Court did not grant the petitioned review and dismissed the appeal. Thus the decision rendered by the Tokyo High Court became final and conclusive. It seems that this is the first court case in this field. This article aims to explain the fundamental points related to the distinctiveness of three-dimensional trademarks and the acquired distinctiveness of trademarks in general in Japan, commenting on the above-mentioned case.

Subsequent to the said case, the Tokyo High Court rendered a similar decision on July 17, 2001 regarding another application for a three-dimensional trademark [Tokyo High Court Case No. Heisei 12 (Gyo-ke) 474]. It appears that the case is now pending in the Supreme Court. The second case will be outlined in Chapter V of this article.

## I. Outline of Facts

The plaintiff filed an application in 1997 for the three-dimensional trademark set forth in Schedule 1 attached hereto (hereinafter the “subject trademark”) with respect to “pencils, ball-point pens, and other writing instruments” in International Class 16. The application was finally rejected at the examination stage

---

<sup>1</sup> Note that it is not common to identify court cases as *In re Party A (vs. Party B)* in Japan. Cases are identified by the dates on which the relevant decisions were rendered and the source documents, often accompanied by the related case numbers. Court cases are herein identified in principle by the case numbers and the dates of the decisions. The subject case and all the court cases cited in this article relate to appeals seeking revocation of trial decisions that confirmed rejection of the relevant applications.

due to lack of distinctiveness and acquired distinctiveness. The plaintiff filed a trial against the final rejection seeking reconsideration by Trial Examiners of the Patent Office.

The Board of Trial Examiners in charge of the trial rendered a decision dismissing the trial in 1999. In regard to the general rule of the distinctiveness of three-dimensional trademarks, the Board stated as follows:

“Three-dimensional trademarks include the shape of goods, packages of goods, and articles used for rendering services (hereinafter ‘goods or the like’). The shape of goods or the like will be, by nature, adopted for the purpose of enhancing the functions or aesthetic appearance of the goods or the like. They will not be adopted primarily for identifying the source of goods or services or distinguishing them from those of others. Characteristic . . . but necessary modification or decoration of goods or the like added for the purpose of enhancing their functions or for aesthetic purposes . . . will be recognized by traders and consumers to be the shape of the relevant goods or the like. Basically, the shape of goods or the like of the same kind will inevitably become identical for the purpose of fulfilling their functions. Since any parties have to use the shape and will wish to do so, it should not be monopolized by any private party. Apart from unique shapes which are irrelevant to the functions or aesthetic appearance of goods or the like, three-dimensional trademarks consisting solely of the shape of goods or the like should be construed to be unregistrable under Article 3, Paragraph 1, Item 3 of the Trademark Law, unless the trademark identifies its source and is clearly distinguished, with its shape, from the same kind of goods or the like by traders and consumers.”

The Board then determined that the subject trademark lacks distinctiveness since traders and consumers will recognize that the subject trademark merely consists of the shape of the designated goods, thus falling under Article 3, Paragraph 1, Item 3 of the Trademark Law.

The Board further established the general rule of acquired distinctiveness as follows:

“In order for a trademark related to a shape of goods or the like to be registered under Article 3, Paragraph 2 of the Trademark Law, in principle, a mark that has been applied for must be identical to a mark which has been in use and designated goods or services must be identical to goods or services in relation to which the mark has been in use. If a mark applied for consists solely of a three-dimensional shape, and if a mark which has been in use comprises the three-dimensional shape and a two-dimensional mark, such as letters or a device, the mark applied for basically cannot be determined to have acquired distinctiveness since the overall structure of the mark applied for is not identical to that of the mark in use. Further, if goods or services related to actual use are part of the designated goods or services, the mark applied for will not be construed to have acquired distinctiveness unless the designated goods or services are limited to the goods or services related to actual use.”

Subsequently, the Board denied acquired distinctiveness of the subject trademark, referring to the difference between the subject trademark and a mark in actual use combined with two-dimensional words as well as lack of objective evidence sufficient for supporting acquired distinctiveness of the subject trademark *per se*. The Board also pointed out that the goods related to actual use were “writing instruments used for golf score cards,” not all the designated goods.

## II. Determination by Court

The court supported the decision of the Patent Office Board of Trial Examiners. As for the distinctiveness of the subject trademark, the court determined as follows:

“It is construed that, when observing the shape of the subject

trademark, traders and consumers will understand that, the lowest end is a thin lead for writing; the upper middle portion is a round support shaped to be held by the fingers; and the upper end is a wide plate, the center thereof forming an almost rectangular clip for holding paper, etc. Thus they will recognize that the shape of the subject trademark has the characteristics of what would be generally expected to be the shape of a compact pencil or ball-point pen, i.e., a writing instrument. The said shape, which has an organized and slender impression in its entirety, is supposed to embody a pencil or ball-point pen primarily used as a writing instrument for filling out golf score cards. With the above well-organized and slender impression, the three-dimensional shape of the subject trademark has characteristic features to some extent. However, it does not have a unique appearance beyond that which could be expected from the use or function of a compact pencil or ball-point pen, i.e., a writing instrument, or a decorative shape having any special impact. Traders and consumers will merely recognize from the subject trademark the function or aesthetic appearance, which (is something that) can be generally adopted in such a writing instrument, and the shape of the writing instrument itself. The shape per se cannot be interpreted to function as a source identifier of goods. . . . The subject trademark, representing the shape of the designated goods, i.e., pencils, ball-point pens and other writing instruments, is a three-dimensional trademark which is regarded as merely consisting of the shape of the designated goods. Thus the subject trademark solely consists of the shape of the designated goods expressed in a common way. Accordingly, the determination of the trial decision to the effect that the subject trademark falls under Article 3, Paragraph 1, Item 3 of the Trademark Law is not erroneous.”

With regard to acquired distinctiveness, the court determined as follows:

“Pencils having the shape of the subject trademark manufactured and sold by the plaintiff bear the words ‘OKAYA’ and ‘Pegcil’ on the front and ‘JAPAN’ and ‘pegcil’ on the back. Ball-point

pens show 'OKAYA' and 'Pencil' on the front and 'JAPAN' on the back. There is no evidence proving that pencils or ball-point pens of the plaintiff representing the subject trademark but without the word marks 'OKAYA' and 'Pencil,' i.e., writing instruments representing solely the subject trademark, have been manufactured and sold. Further, it cannot be construed that the said word marks will not function as source identifiers. Plaintiff's Exhibit 25 states that the above pencils and ball-point pens are widely recognized as writing instruments representing the subject trademark. However, on the premise that the three-dimensional shape of the subject trademark is merely the shape of the designated goods, i.e., writing instruments, it cannot be readily acknowledged that pencils and ball-point pens having the shape of the subject trademark without the above word marks have been widely recognized as being manufactured and sold by the plaintiff. There is no other objective evidence confirming the said recognition. . . . Accordingly, it cannot be considered that, among the marks used in relation to pencils and ball-point pens manufactured and sold by the plaintiff, the three-dimensional shape of the subject trademark independently functions as a source identifier. Thus the subject trademark cannot be determined to have acquired distinctiveness through use. The determination of the appeal decision to the effect that the subject trademark does not fall under Article 3, Paragraph 2 of the Trademark Law is not erroneous."

### III. Basic Theories of Distinctiveness and Acquired Distinctiveness of Trademarks under Japanese Trademark Law

Before commenting on the subject decision, the basic theories of distinctiveness of three-dimensional trademarks and acquired distinctiveness of trademarks in general under the Japanese Trademark Law will be briefly explained below<sup>2</sup>.

#### 1. Lack of Distinctiveness

---

<sup>2</sup> Note that the current Trademark Law is the Law of 1959 as amended. The Law of 1959 is herein referred to as the Trademark Law or the Trademark Law of 1959.

Trademarks which solely consist of a mark indicating in a common way, e.g., the origin, quality, quantity and shape (including the shape of packages) of goods, or the place of provision of services, quality, use and quantity of services, or articles used for rendering services, are not registrable under Article 3, Paragraph 1, Item 3 of the Trademark Law. Further, trademarks which solely consist of a mark indicating, in a common way, a commonplace surname or name of a legal entity, and trademarks which solely consist of a very simple and commonplace mark are unregistrable under Article 3, Paragraph 1, Items 4 and 5 of the Trademark Law.

As for three-dimensional trademarks consisting solely of the shape of designated goods, packages of goods, or articles used for rendering designated services, the criteria for determination of distinctiveness is very strict. The report of December 13, 1995, which had been prepared by the Commission of Intellectual Property Rights before the Trademark Law of 1959 was amended in 1996, stated in relation to a system for registering three-dimensional trademarks that “Three-dimensional trademarks recognized by consumers as solely consisting of the shape of designated goods, their packages, or articles used for rendering designated services should not be registered. . . . However, if such a mark has acquired distinctiveness through use, it should be registered under Article 3, Paragraph 2 of the present Law.” The “Commentary of Industrial Property Law” (or *Kogyoshoyukenho Chikujo Kaisetsu*) edited by the Japanese Patent Office (hereinafter the “Commentary”) explains that the report indicated that the requirement regarding “a mark indicating in a common way” should be interpreted strictly under Article 3, Paragraph 1, Item 3 of the Trademark Law with respect to trademarks consisting solely of such three-dimensional shapes.<sup>3</sup>

In relation to distinctiveness of three-dimensional trademarks, the Examination Standards provided for by the Japanese Patent Office are set forth as follows:

---

<sup>3</sup> Page 993 of the Commentary. Note that the Commentary is written in the Japanese language.

*“1. A three-dimensional trademark which is recognized by consumers to solely consist of the shape of ‘designated goods (including their packages) or articles used for rendering designated services’ (hereinafter the ‘designated goods or the like’) will be regarded as nondistinctive. Even if a characteristic modification or ornamentation is added to a three-dimensional shape which can be adopted for ‘goods (including their packages) or articles used for rendering services’ (hereinafter the ‘goods or the like’) of the same kind, if a three-dimensional trademark applied for is recognized to merely indicate the shape of the designated goods or the like, such three-dimensional trademark will be regarded as being nondistinctive.”*

*“2. A nondistinctive three-dimensional shape combined with a distinctive letter, device or another mark will be determined to be distinctive if the distinctive mark is used as an identifier of the source of goods or services.”*

In such cases, a trademark right cannot be enforced against a third party based on the nondistinctive three-dimensional shape incorporated in a registered mark under Article 26 of the Trademark Law. According to the Commentary, in consequence, the significance of the combination mark solely resides in the distinctive two-dimensional mark.<sup>4</sup>

*“3. A three-dimensional trademark consisting solely of a very simple and common three-dimensional shape will be regarded as nondistinctive.”*

A typical example of a three-dimensional trademark which will be regarded as distinctive is a uniquely-shaped advertising figure which is unrelated to the function of the associated goods, their packages, or articles used for rendering the associated services, such as the figure of Colonel Sanders.

---

<sup>4</sup> Pages 993 and 994 of the Commentary

## 2. Acquired Distinctiveness

The Trademark Law of 1921 did not provide for acquired distinctiveness. Instead, the theory of acquired distinctiveness came to be acknowledged by court decisions. It is construed that the Great Court of Cassation Case No. Showa 2 (O) 1093 (decision rendered on April 10, 1928) regarding registrability of a Japanese equivalent of the word PASTE with respect to “pharmaceutical preparations” in Old Japanese Class 1 was the first case which acknowledged the theory of acquired distinctiveness.

The Trademark Law of 1959, which is currently effective, has an explicit stipulation regarding acquired distinctiveness. Article 3, Paragraph 2 of the Trademark Law of 1959 as amended in 1991 provides that “Notwithstanding the preceding Paragraph, if marks falling under Items 3 through 5 of the preceding Paragraph are recognized by consumers through use as being related to goods or services originating from a certain party’s business, the marks can be registered.”

According to the Examination Standards provided by the Japanese Patent Office, in order for a nondistinctive trademark to be registered under Article 3, Paragraph 2 of the Trademark Law, the mark applied for has to be identical to a mark which has acquired distinctiveness through actual use. Furthermore, the designated goods or services must be identical to goods or services in association with which the mark has been in use.

The Examination Standards acknowledge that the marks 1 and 3 mentioned in Paragraph 1, Chapter III above can be registered based on acquired distinctiveness. According to the Examination Standards, if a mark applied for consists solely of a three-dimensional shape but evidence of use shows the three-dimensional shape combined with a two-dimensional mark, the overall structure of the mark applied for is not identical to that of the mark in actual use.

Therefore, the mark applied for will not be construed in principle to have acquired distinctiveness. However, if the following conditions are met, a determination will be made as to whether the three-dimensional shape of the mark in actual use functions independently as a source identifier, without the argument of acquired distinctiveness being automatically rejected on the basis of the difference between the marks:

*When observing the three-dimensional shape of the mark in actual use in its entirety,*

*i) if the three-dimensional shape is identical to the mark applied for;*

*ii) if, in order for the three-dimensional shape to function as a source identifier, the two dimensional mark is not of the essence but rather the three-dimensional shape is construed to strongly impress consumers with the modification or ornamentation added to it (i.e., added to the three-dimensional shape); and*

*iii) if certificates of a trade association, traders or other third parties, or other objective evidential materials are filed.*

The Examination Standards further require that, if a mark applied for includes plural views taken from different directions, evidence of use has to include materials proving the identicalness of the mark applied for from the perspective of each of these views.

Even if a three-dimensional mark is determined to have acquired distinctiveness, functional marks will however be determined to be unregistrable under Article 4, Paragraph 1, Item 18 of the Trademark Law of 1959 as amended in 1996, this stipulation prohibiting registration of “marks which solely consist of a three-dimensional shape of goods or their packages which is essential for securing the function of those goods or packages.” According to the Commentary,<sup>5</sup> trademark rights can survive semi-permanently upon renewal of the relevant registrations. If functional three-dimensional trademarks falling under the above-mentioned Item

---

<sup>5</sup> Page 1007 of the Commentary

18 were to be registered, manufacture and sale of goods and packages of goods could be monopolized on a semi-permanent basis, thereby impeding free competition. In order to prevent such detrimental effects, Article 4, Paragraph 1, Item 18 was incorporated into the Trademark Law of 1959 as amended in 1996.

#### IV. Studies of Subject Case

In this chapter, the subject case will be briefly explained after giving an overview of the theoretical points which appear in the precedents regarding distinctiveness of three-dimensional trademarks and acquired distinctiveness of trademarks in general, citing particular court cases where available. Although the issues raised in Paragraphs 3 through 5 below were not taken up in the court decision of the subject case, they are factors that need to be considered upon determining the acquired distinctiveness of trademarks in general.

##### 1. Distinctiveness

The subject case appears to be the first Tokyo High Court case seeking revocation of a trial decision denying distinctiveness of an applied-for three-dimensional trademark consisting solely of the shape of goods or the like. In the absence of court precedents in this field, the trend of trial decisions rendered by the Japanese Patent Office will be outlined below.

It appears that the Japanese Patent Office has been interpreting strictly the distinctiveness of three-dimensional trademarks that consist solely of the shape of goods or the like. In trial decisions denying distinctiveness of such applied-for three-dimensional trademarks, a rule which is similar to the general rule on distinctiveness of three-dimensional trademarks set forth in the trial decision in the subject case is also recited. Where applicants argued that they own protection under the Design Law, Patent Law or Utility Model Law, the relevant trial decisions specifically pointed out, for example, that the Design Law aims to

protect “a shape . . . of an article producing an aesthetic impression on the sense of sight”; the Patent Law intends to protect “the creation of technical ideas”; since objects of and requirements for protection under the Trademark Law, which intends to protect trademarks as source identifiers, are different from those under the other Laws, protection under the other Laws per se is not eligible for proving the distinctiveness of marks applied for. That is, if three-dimensional trademarks are registered for the sole reason that the relevant three-dimensional shapes are protected under the other Laws, an unreasonable consequence would arise from protection of such three-dimensional shapes under the Trademark Law, the protection taking effect in addition to the existing protection under the other Laws or after the expiration of rights obtained under the other Laws, from the viewpoint of the consistency of the intellectual property system.

It was determined by the court that the subject trademark is regarded as consisting solely of the shape of a writing instrument. In view of the above-mentioned Examination Standards and trial decisions, the determination of the court denying the distinctiveness of the subject trademark would not be unreasonable. If, however, the plaintiff had filed for the subject three-dimensional trademark combined with the word Pegcil, the distinctiveness of which is incontestable, the combination mark would have been determined to be distinctive. In actuality, combination marks comprising the three-dimensional shape of goods, packages of goods or articles used for rendering services combined with a distinctive two-dimensional mark are commonly registered. The restrictions on the enforcement of trademark rights on the basis of a nondistinctive three-dimensional shape incorporated in a registered mark were explained above in Paragraph 1 of Chapter III in relation to Item 2 of the Examination Standards.

## 2. Mark Applied for Identical to Mark in Actual Use

A. As mentioned above, the Examination Standards require that a

mark which has been applied for be identical to a mark which has been in use in order to prove that the former has acquired distinctiveness. It is construed that the Examination Standards basically require that the marks be physically identical. In other words, the emphasis is placed on the appearance of the marks. Since distinctiveness cannot be acquired with respect to a mark which has not been in use, the identicalness of the mark that has been applied for with respect to a mark in actual use should be examined with discretion. However, it is pointed out that a strict application of the requirement of physical identicalness of the marks could result in unreasonable consequences.

B. Tokyo High Court Case No. Showa 59 (Gyo-ke) 97 [decision rendered on April 25, 1985; supported by the Supreme Court in Supreme Court Case No. Showa 60 (Gyo-tsu) 132 (decision rendered on April 8, 1986)] took a strict position. In the above case, the plaintiff filed for KIKKOYAKI in Chinese characters, meaning a kind of baked clay articles, with respect to the goods (as amended) “household commodities made of pottery and porcelain, and kitchen utensils made of pottery and porcelain” in Japanese Class 19. The plaintiff asserted that the mark applied for had acquired distinctiveness since only the plaintiff had manufactured and sold pottery and porcelains bearing KIKKO in Chinese characters and the plaintiff’s goods had been sold in large numbers. The YAKI portion means baked clay articles or a method for producing them. The Tokyo High Court determined that, even if pottery and porcelain items bearing the mark KIKKO were recognized as being manufactured by the plaintiff, acquired distinctiveness should be denied in relation to the mark that had been applied for, i.e., KIKKOYAKI.

There is an opinion to the effect that, even if a mark applied for is slightly different from a mark which has acquired distinctiveness, if consumers actually recognize the goods or services of an applicant by the mark applied for, the mark applied for should be registered. Based on the above premise, it is pointed out as a general rule that, if KIKKO has actually acquired distinctiveness, KIKKOYAKI should be

registered.<sup>6</sup>

C. In contrast, in Tokyo High Court Case No. Showa 57 (Gyo-ke) 213 (decision rendered on October 31, 1984), a more lenient decision was made with respect to the identicalness of marks. The plaintiff filed for JUICY in Japanese characters [the mark (i) shown in Schedule 2 attached hereto] with respect to “fruit juices” in Japanese Class 29. The Patent Office denied acquired distinctiveness for the reasons that the mark in actual use could not be specified since there were plural types of marks in actual use, in terms of appearance, and that the mark applied for, which was different from the marks in actual use, could not be determined to have acquired distinctiveness. The court admitted that plural types of marks, typically the marks (ii) and (iii) shown in Schedule 2, and JUICY in Japanese characters written horizontally in an ordinary typeface, were in actual use. The court further found that the name generating the pronunciation JUICY was widely known as the name of fruit juices manufactured and sold by the plaintiff among traders and general consumers through the large volume of sales of the goods that had taken place on a nationwide basis and through various advertisements. Thus the court determined that JUICY in Japanese characters expressed horizontally in an ordinary typeface and the mark (ii), which is not expressed in an unusual typeface either, should be construed to be identical to the mark applied for, which is considered to be written in an almost ordinary typeface. The court accordingly concluded that the mark applied for had become known nationwide among traders and general consumers as a trademark of fruit juices manufactured and sold by a specific party by the time that the relevant trial decision was rendered, at the latest.

There are supporting commentaries on the court decision. One of the commentators argues that determination as to whether a mark applied for is identical to a mark in use should be made after taking actual trade situations into consideration and should be based

---

<sup>6</sup> Prof. Yoshiyuki TAMURA, pages 178 and 179 of “Trademark Law” (or *Shohyoho Gaisetsu*), 1st edition. Note that the text is written in the Japanese language.

on recognition by society at large, not on the physical identicalness of the marks, while deliberate determination should be made in relation to the registrability of marks based on their acquired distinctiveness, this being an exceptional form of protection. In short, such marks should be determined to be identical when consumers confuse one from the other. In the above case, the mark applied for should duly be regarded as being identical to the marks in actual use since the differences were minor. According to the commentator, the court determined that the distinctiveness of the mark applied for primarily resided in its pronunciation.<sup>7</sup>

D. A case in which independent use of a mark that had been applied for was acknowledged will now be reviewed. In Tokyo High Court Case No. Showa 31 (Gyo-na) 17 (decision rendered on December 10, 1957), the mark applied for shown in Schedule 3 attached hereto with respect to “canned and seasoned or boiled marine products” in Old Class 45 was determined by the Patent Office to be a nondistinctive ground design and it was denied that the mark had acquired distinctiveness. Although the mark applied for had been used in combination with the distinctive letters SSK, and letters and devices corresponding to the contents of each canned product, the court determined that the mark applied for had acquired distinctiveness independently from the above letters and devices.

E. In contrast, in Tokyo High Court Case No. Heisei 4 (Gyo-ke) 61 [decision rendered on December 24, 1992; supported by the Supreme Court in Supreme Court Case No. Heisei 5 (Gyo-tsu) 65 (decision rendered on February 8, 1994)], acquired distinctiveness was denied in relation to a mark applied for, JUN in Chinese Characters, meaning “pure,” with respect to the goods (as amended) “*Shochu*,” a sort of Japanese-style liquor, in Japanese Class 28, for the reason that the mark applied for had not been used independently but with, e.g., the word TAKARA SHOCHU. TAKARA is a distinctive word meaning a “treasure” and is incorporated in the plaintiff’s corporate name.

---

<sup>7</sup> Prof. Shigeaki MITSUDA, pages 223 and 224, Vol. 1198 of *Hanrei Jiho*. Note that the text is written in the Japanese language.

According to the court, marks comprising the word JUN expressed with large letters and the words, e.g., TAKARA SHOCHU, expressed with small letters were used in relation to the bottle of the plaintiff's goods, advertisements, etc. In consequence, many newspapers, books, magazines and other media described the plaintiff's goods as TAKARA SHOCHU JUN. The plaintiff owned registered trademarks for the word JUN expressed using large letters or in an emphatic manner, combined with, e.g., the words TAKARA SHOCHU expressed using small letters or in an inconspicuous manner. The marks used in relation to the plaintiff's goods were either of the registered marks or marks which were extremely similar to the registered marks. The marks in use were combination marks comprising the word JUN and, e.g., the words TAKARA SHOCHU. The word JUN had not been used independently. Although there were some newspaper articles, magazines, etc., describing the plaintiff's goods solely as JUN, it was generally recognized that the inseparable combination mark TAKARA SHOCHU JUN was a formal mark and that JUN was merely an abbreviation of the formal mark. Subsequent to the above determination, the court concluded that the mark that had been applied for, JUN, should not be construed to have acquired distinctiveness independently.

A commentator on this decision criticizes it on the grounds that use of a combination mark can be considered to be use of a structural element of the combination mark. He argues that, "If the combination mark has been used in such a manner that a structural element of the mark per se has acquired distinctiveness, use of the combination mark can be regarded as independent use of the structural element per se. . . . If the word 'JUN' was sufficiently emphasized and the organic (*literal translation*) combination of the word with 'TAKARA SHOCHU' was weak, use of 'TAKARA SHOCHU JUN' would be regarded as independent use of 'JUN.' . . . Upon dismissing the plaintiff's argument, the court merely stated that 'JUN' had not been used independently since 'JUN' combined with 'TAKARA SHOCHU' was used in a consolidated manner. However, there is a huge jump between the specific facts of the case and the court's

conclusion that it was ‘used as a consolidated mark.’ In this particular case, the manner of expression of ‘JUN’ and the combination of ‘JUN’ with ‘TAKARA SHOCHU’ should have been examined in more detail.”<sup>8</sup>

F. In the subject case, the mark in actual use was a combination of the applied-for three dimensional mark with the words OKAYA, Pegcil or pegcil (hereinafter “Pegcil”), and JAPAN. Pegcil is undoubtedly a distinctive mark. It appears that OKAYA is an abbreviation of the plaintiff’s corporate name. In any case, the court considered that the words OKAYA and Pegcil are not nondistinctive marks. Then the court determined that the applied-for three-dimensional mark had not acquired distinctiveness independently from the word marks, pointing out the lack of persuasive evidence.

Referring to the Examination Standards regarding acquired distinctiveness of three-dimensional marks consisting solely of the shape of goods or the like, the mark in actual use in the subject case was a combination of the three-dimensional shape of the subject trademark with the two-dimensional marks and, therefore, the subject trademark obviously is not identical to the mark in use. No objections appear to have been raised against the requirement that, when observing the three-dimensional shape of the mark in actual use in its entirety, the three-dimensional shape had to be regarded as being identical to the mark that had been applied for. However, the plaintiff failed to prove that the two dimensional word marks were not essential source identifiers and that the three-dimensional shape independently functioned as a source identifier. In relation to the lack of satisfactory evidence in particular, certificates of wholesalers and other parties filed by the plaintiff as evidential materials in support of the argument of acquired distinctiveness appear to have been prepared using forms provided by the plaintiff. In the above-mentioned KIKKOYAKI case, similar certificates prepared by

---

<sup>8</sup> Prof. Tatsuki SHIBUYA, page 190, Vol. 1485 of *Hanrei Jiho*. Note that the text is written in the Japanese language.

using such forms were filed as evidence but they were determined to be insufficient to prove the alleged acquired distinctiveness. The probative value of such certificates is without doubt rather weak. Although the reasoning of the court in the subject decision is not particularly elaborate, the conclusion of the court denying independently acquired distinctiveness of the subject trademark would not be unreasonable.

### 3. Designated Goods/Services Identical to Goods/Services in Actual Use

A. In order for a mark to be registered under Article 3, Paragraph 2 of the Trademark Law, the designated goods or services of the relevant mark have to be limited to goods or services in relation to which the mark has acquired distinctiveness through actual use. Otherwise, the relevant application will be rejected in its entirety, unless the goods or services which are not related to actual use are deleted from the list of goods or services designated.

Accordingly, when there is a limited scope of goods or services in relation to which a mark applied for has acquired distinctiveness, protection is normally only sought for those specific goods or services. For example, in Tokyo High Court Case No. Showa 47 (Gyo-ke) 68 (decision rendered on September 17, 1974), which acknowledged the acquired distinctiveness of MILK DONUTS in Japanese characters, and Tokyo High Court Case No. Showa 51 (Gyo-ke) 84 (decision rendered on April 12, 1978), which acknowledged the acquired distinctiveness of the Japanese equivalent of the word ART ANNUALS, the designated goods of the relevant applications were limited to “donuts” in Japanese Class 30 and “annual publications” in Japanese Class 26, respectively.

B. In some precedents, however, protection was sought with respect to goods or services which were obviously broader than those in relation to which marks applied for had acquired distinctiveness. There are two categories of court decisions which show how such

applications are treated. In the Great Court of Cassation Case No. Showa 2 (O) 1093 mentioned above as being the first case which recognized acquired distinctiveness, the court ruled that the application should be rejected solely with respect to those of the designated goods in relation to which the mark applied for had not been construed to have acquired distinctiveness.

In contrast, in Tokyo High Court Case No. Showa 42 (Gyo-ke) 99 (decision rendered on May 14, 1970), which denied the acquired distinctiveness of the mark applied for, GOLF, in relation to “clothing and goods belonging to Old Class 36” under the Trademark Law of 1921, the court decided to reject the application in its entirety. “Clothing and goods belonging to Old Class 36” included, e.g., Japanese-style clothing, hats, gloves, and neckties. The court found that the mark GOLF acquired distinctiveness solely in relation to specific goods, i.e., shirts, jumpers, coats, sweaters, socks, and some other articles. The court then determined that the mark applied for could not be construed to have acquired distinctiveness since the applicant sought a registration for the mark GOLF with respect to a comprehensive list of goods, i.e., “clothing and goods belonging to Old Class 36,” which went beyond the scope of the above specific goods. In consequence, the court decided that the mark applied for was descriptive with respect to goods suited for golfing and was likely to cause misunderstanding as to the nature of the goods with regard to the other goods designated.

Similar determinations were made by the Tokyo High Court in subsequent cases arising under the Trademark Law of 1959. In a case where the revocation of a trial decision of the Patent Office Board of Trial Examiners denying acquired distinctiveness of the word GEORGIA was sought [Tokyo High Court Case No. Showa 58 (Gyo-ke) 156; decision rendered on September 26, 1984], the Tokyo High Court first determined that the word GEORGIA was descriptive since it was the geographical name of a state in the U.S. Then the court determined that, when the trial decision was rendered, the applied-for mark GEORGIA had acquired distinctiveness with respect to coffee,

cocoa and coffee beverages which were included in the designated goods of the relevant application, while it had clearly not acquired distinctiveness at least with respect to tea which was included in the designated goods. The court eventually decided as follows:

“It should be construed that an application can be registered under Article 3, Paragraph 2 of the Trademark Law only when a mark has met the requirements of the said provision with respect to certain goods and the designated goods are limited to the said certain goods. If some of the designated goods are not eligible for registration, the application will become unregistrable in its entirety, unless the non-eligible goods are deleted by filing a divisional application or an amendment. Since the subject application does not meet the requirements of the said Paragraph in relation to tea which is included in the designated goods, it cannot be registered at all with respect to the designated goods.”

In Tokyo High Court Case No. Heisei 2 (Gyo-ke) 103 (decision rendered on January 29, 1991), the plaintiff asserted acquired distinctiveness of the mark applied for, DIGESTIVE in Japanese characters, but the designated goods were “confectionery and bread” in Japanese Class 30. The plaintiff argued that “biscuits” related to actual use mean “confectionery and bread.” However, it is clear that “biscuits” are not covered by “bread.” Further, the designation “confectionery” under Japanese practice covers a broad category of goods including, e.g., biscuits, chocolates, ice creams, candies, chewing gums, cakes, other western style confectionery and Japanese-style confectionery. Pointing out the difference of the designated goods from the goods associated with actual use, the court determined that the mark applied for should not be registered at all with respect to the designated goods.

The Tokyo High Court applied the same rule in a case where acquired distinctiveness was denied in relation to a mark consisting solely of a ground design with respect to “clothing, belts, belts fitted with a pouch” in International Class 25 [Tokyo High Court Case No.

Heisei 11 (Gyo-ke) 79; decision rendered on August 10, 2000]. In particular, the court determined that the mark applied for had not been used in relation to “clothing.”

The intention of Article 3, Paragraph 2 of the Trademark Law is to allow for registration a mark which has acquired distinctiveness through actual use on an exceptional basis. If a mark applied for has acquired distinctiveness solely with respect to part of the list of designated goods or services, the mark clearly will not function as a source identifier in respect to the other designated goods or services. Thus the other designated goods or services are not eligible for protection. Designated goods or services should accordingly be limited to those goods or services in relation to which the mark has acquired distinctiveness. Otherwise, the relevant application contains a defect when observed in its entirety. In the above cases, the designated goods were obviously broader than the goods related to actual use. Therefore, the above-mentioned court decisions rejecting the applications in their entirety are considered to be reasonable.

C. In contrast, there are precedents which acknowledge acquired distinctiveness with respect to relatively comprehensive designations of goods.

In Tokyo High Court Case No. Showa 31 (Gyo-na) 56 under the Trademark Law of 1921 (decision rendered on January 28, 1960), the mark shown in Schedule 4 attached hereto, which incorporates the word HASEGAWA, a common Japanese surname, written in Japanese characters in an ordinary typeface, the word TRADE MARK, and the word HASEGAWA GOMEI KAISHA meaning Hasegawa General Partnership Corporation, was determined to have acquired distinctiveness in relation to “pouches” in Old Japanese Class 49. The designation “pouches” included, e.g., handbags, purses and business card holders, and thus was relatively comprehensive. The court mentioned as a general rule that a nondistinctive mark could become very famous through use over the years and be recognized by

consumers as deriving from a certain party, the said fact being often observed when the mark had been used with respect to a specialized, limited scope of goods, that is, not all the goods belonging to the relevant class. Then the court determined that the plaintiff's pouches were widely known as top-class ones among traders and consumers and that the mark applied for was recognized to derive from the plaintiff.

In Tokyo High Court Case No. Showa 57 (Gyo-ke) 147 (decision rendered on February 28, 1984), AMANDE in Japanese characters, meaning almonds, was determined to have acquired distinctiveness with respect to "western-style confectionery" in Japanese Class 30. "Western-style confectionery" is a broad category of goods - as mentioned in relation to the above DIGESTIVE case. The Tokyo High Court acknowledged the plaintiff's argument that the mark AMANDE was known as the name of the plaintiff's shops which deal in western-style confectionery, as well as it being a trademark for the goods. In addition, the court denied that the mark was misdescriptive with respect to goods other than those that contain almonds.

Further, in Tokyo High Court Case No. Heisei 11 (Gyo-ke) 80 (decision rendered on August 10, 2000) regarding acquired distinctiveness of the ground design mark shown in Schedule 5 attached hereto<sup>9</sup>, the court acknowledged that the mark applied for had acquired distinctiveness with respect to "bags and pouches; and vanity cases" in International Class 18. The sub-class designation "bags and pouches" is a broad designation including, e.g., handbags, trunks, suit cases, knapsacks, school bags for children, purses, and key cases. The said designation is more comprehensive than "pouches" in the HASEGAWA case and "western-style confectionery" in the AMANDE case. The Tokyo High Court found that the mark applied for was used in relation to various bags, shoulder bags,

---

<sup>9</sup> According to a commentator of this decision, since the mark is a rugged pattern embossed on leather, it should have been registered as a three-dimensional mark (Ms. Kazuko MATSUO, page 242, Vol. 1746 of *Hanrei Jiho*). Note that the text is written in the Japanese language.

purses, business card holders, key cases, vanity cases, etc., and admitted the acquired distinctiveness of the mark applied for with respect to “bags and pouches; and vanity cases.”

In the three cases mentioned above, it appears that the Patent Office simply denied the acquired distinctiveness of the marks applied for without raising an objection to the designated goods. Further, the said court decisions established no rules regarding the admissibility of comprehensive designations and requirements therefor. However, it can at least be said that if a mark applied for obviously has acquired distinctiveness solely with respect to a limited part of the list of designated goods, the relevant application should be rejected.

D. In the subject case, the designated goods were “pencils, ball-point pens, and other writing instruments” in International Class 16. The Patent Office Board of Trial Examiners mentioned in the trial decision that “writing instruments used for golf score cards” were goods related to actual use but they are merely part of the list of goods designated. Since the court simply denied that the mark applied for had acquired distinctiveness independently from the two dimensional marks, it did not specifically take up the issue of identicalness of the designated goods to goods related to actual use.

#### 4. Scope of Consumers

In order for a mark to be registered under Article 3, Paragraph 2 of the Trademark Law, the mark has to be “recognized by consumers as being related to goods or services originating from a certain party’s business.”

It is construed that “consumers” under the said provision include traders. The scope of “consumers” can be an issue in the determination of acquired distinctiveness. That is, if marks applied for are known among traders but not among end users or general consumers, acquired distinctiveness can be denied [e.g., Tokyo High

Court Case No. Showa 41 (Gyo-ke) 112 (decision rendered on February 26, 1970), Tokyo High Court Case No. Showa 54 (Gyo-ke) 16 (decision rendered on June 29, 1982; supported by the Supreme Court in Supreme Court Case No. Showa 57 (Gyo-tsu) 126, decision rendered on May 23, 1985), Tokyo High Court Case No. Showa 56 (Gyo-ke) 136 (decision rendered on July 15, 1982), Tokyo High Court Case No. Showa 56 (Gyo-ke) 260 (decision rendered on July 20, 1982)].

In the subject case, the plaintiff asserted that the three-dimensional mark was recognized among traders and end users. However, since it sufficed for the court to deny that the subject trademark had acquired distinctiveness independently from the two-dimensional marks, the court did not take up the issue of the scope of consumers.

The expression “a certain party” under Article 3, Paragraph 2 is a concept that does not coincide with “a specific (i.e., ‘known’ or ‘identified’) party.” In other words, in order for a mark to be determined to have acquired distinctiveness, it is not required that consumers actually identify the user of a mark that has been applied for.

#### 5. Timing of Determination of Acquired Distinctiveness

Applications contravening Article 3 of the Trademark Law will be rejected under Article 15 of the Law. It is accordingly construed that, in order for a mark to be registered under Article 3, Paragraph 2 of the Trademark Law, the mark has to be determined to have acquired distinctiveness by the time at which the decision regarding the registrability of the mark is made by an Examiner at the examination stage, or by a Board of Trial Examiners in a trial seeking reconsideration of a final rejection [e.g., Tokyo High Court Case No. Showa 42 (Gyo-ke) 99 (decision rendered on May 14, 1970) related to GOLF, Tokyo High Court Case No. Showa 47 (Gyo-ke) 68 (decision rendered on September 17, 1974) related to MILK DONUTS, Tokyo

High Court Case No. Showa 57 (Gyo-ke) 147 (decision rendered on February 28, 1984) related to AMANDE, Tokyo High Court Case No. Showa 58 (Gyo-ke) 156 (decision rendered on September 26, 1984) related to GEORGIA, Tokyo High Court Case No. Showa 57 (Gyo-ke) 213 (decision rendered on October 31, 1984) related to JUICY; all mentioned above].

In the subject case, since the court simply denied the independently acquired distinctiveness of the subject trademark, the timing of the determination of acquired distinctiveness is not referred to in the decision.

#### V. Outline of Subsequent Case

Following the Pegcil case, the Tokyo High Court rendered another decision denying the distinctiveness and acquired distinctiveness of a three-dimensional trademark applied for.

The plaintiff of the above case filed an application in 1997 for the three-dimensional trademark set forth in Schedule 6 attached hereto with respect to “lactic acid bacteria beverages” in International Class 29. The application was finally rejected due to lack of distinctiveness and denial of acquired distinctiveness.

The plaintiff filed a trial against the final rejection. However, the Board of Trial Examiners dismissed the trial as being groundless in 2000. The general rule on distinctiveness of three-dimensional trademarks set forth in the trial decision are similar to that established in the trial decision of the Pegcil case and the trial decisions mentioned in Paragraph 1 of Chapter IV above. The Board of Trial Examiners determined that the trademark concerned lacked distinctiveness under Article 3, Paragraph 1, Item 3 of the Trademark Law for the reason that, regardless of a somewhat characteristic shape, the applied-for mark would still be recognized by traders and consumers as merely representing the shape of a container of the designated goods, not as a source identifier.

The Board further denied that the mark had acquired distinctiveness. The mark in actual use was a combination of the mark applied for and a distinctive two-dimensional word mark “YAKULT.” The applicant filed certificates of public organizations and trade associations as evidence supporting the alleged acquired distinctiveness. However, the Board suspected that the certifiers affixed signatures or seals with the certificates, all entitled “Request for Certification,” without discretion. In view of the expression of the certificates, the Board further questioned whether the certifiers truly recognized that the three-dimensional trademark concerned had acquired distinctiveness by itself. Based on a questionnaire survey, the applicant further asserted that 82.9% people had identified the shape of the container filed for in the application as having derived from the applicant. However, the Board also did not adopt the questionnaire survey for the reason that a comparison of the container with containers of third parties was lacking and that respondents may have been led by the words “YAKULT” and “goods other than YAKULT” included in the questionnaire.

The court supported the determination of the trial decision. The reasons set forth in the decision are rather brief. As for the distinctiveness of the trademark applied for, the court determined as follows:

“The court . . . also determines that ‘the trademark of the present application is somewhat designed but is not recognized to be unique in relation to the designated goods. It is construed that, since the trademark concerned does not exceed the scope of a shape which can be usually adopted, it solely consists of a three-dimensional shape representing the shape or container of the goods in its entirety.’ The plaintiff asserts that the shape of the trademark of the present application was completed by a noted designer and the identical shape was registered as a design. However, the alleged fact does not contradict or overturn the above determination . . . . The trademark of the present application relates to a container of the designated goods ‘lactic acid bacteria

beverages.’ In relation to three-dimensional trademarks concerning the shape of the containers of beverages, such a shape of containers basically cannot function as a source identifier so long as it is chosen for the purpose of enhancing the functions of the containers. With respect to the trademark of the present application, the plaintiff asserts that the shape of the container is unique in that it has a round ‘constriction’ at a portion slightly above the center; the shape of the ‘mouth’ is ‘that of a feeding bottle’; because of the ‘constriction,’ the diameter of the cylindrical portion looks big and thus the visual or ostensible size is not small. However, even taking the above points into consideration, the trademark of the present application is not construed to have characteristics beyond that which could be expected from the method for production, purpose of use and functions of disposable plastic containers . . . which are common containers of the designated goods of the present application, i.e., ‘lactic acid bacteria beverages.’ . . . The determination of the trial decision to the effect that the trademark of the present application falls under Article 3, Paragraph 1, Item 3 of the Trademark Law is not erroneous.”

The determination of the court regarding acquired distinctiveness, also brief, is as follows:

“In addition to the above determination . . . , it is gathered that containers having a ‘constriction’ similar to the three-dimensional shape of the trademark of the present application had already been used at the filing date of the present application in relation to many lactic acid bacteria beverages and the like of manufacturers other than the plaintiff . . . . On the other hand, there is no evidence confirming that the letters ‘YAKULT’ were not incorporated in the containers of the plaintiff’s goods, i.e., ‘YAKULT’ lactic acid bacteria beverages. Taking the above into consideration, it cannot be determined that the shape per se of the container of the plaintiff’s goods ‘YAKULT’ had acquired distinctiveness even though similar beverage goods were marketed subsequent to the plaintiff’s goods. The plaintiff obtained a registration for a three-dimensional trademark

consisting of the container shape of the trademark of the present application and the letters “YAKULT” . . . . The determination of the trial decision . . . can be supported. There is no additional evidence which supports facts substantiating the pertinence of the trademark of the present application to Article 3, Paragraph 2 of the Trademark Law. The asserted grounds for revocation of the trial decision, which denied application of Article 3, Paragraph 2 of the Trademark Law to the trademark of the present application, is groundless.”

In this case also, the evidence filed by the plaintiff appears to have been insufficient to prove that the three-dimensional trademark applied for had acquired distinctiveness independently from the two-dimensional trademark used in combination with the three-dimensional trademark. Where a three-dimensional trademark applied for is used in combination with a distinctive two-dimensional trademark, it may be somewhat difficult to prove distinctiveness of the three-dimensional trademark acquired independently from the two-dimensional trademark. However, it should duly be avoided to submit certificates with a low probative value as evidence supporting the alleged acquired distinctiveness. Referring to questionnaire surveys, it is not rare that they are not adopted by courts in cases related to the Trademark Law typically because of inappropriate questions.<sup>10</sup> It is regrettable that the plaintiffs of the above case and the Pegcil case failed to file persuasive evidence.

## VI. Conclusion

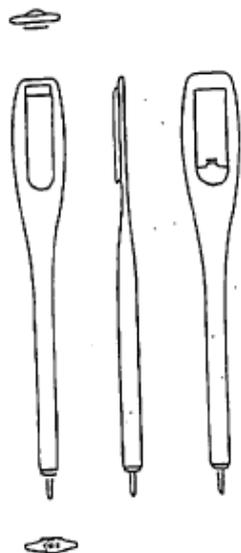
There are normally many hurdles to be cleared when registering a three-dimensional mark consisting solely of the shape of

---

<sup>10</sup> It is pointed out that the theoretical analysis of issues is lacking with respect to questionnaire surveys relating to cases under the Trademark Law or the Unfair Competition Prevention Law in Japan. Accordingly, there are few articles concerning issues of questionnaire surveys related to cases arising under the above Laws. An example of such an article is “Survey Questionnaires in Trademark Cases - Surveys primarily relating to Likelihood of Confusion” written by Prof. Shoen ONO, from page 419 and below from Intellectual Property Laws and Modern Society - Festschrift Dedicated to Judge Toshiaki MAKINO upon Retirement from Office (or Chitekizaisanhou to Gendaishakai - Makino Toshiaki Hanji Taikan Kinen). Note that the text is written in the Japanese language.

designated goods or the like. It is desirable for applicants to prepare the ground for arguing acquired distinctiveness upon filing an application for such a mark, especially bearing in mind the above-mentioned requirements for identicalness of the marks and the goods or services. If an applicant has used the three-dimensional mark in combination with another distinctive two-dimensional mark, they should prepare evidential materials that will be sufficient to prove the independently acquired distinctiveness of the mark applied for, drawing a clear line between the applied-for three-dimensional mark and the two-dimensional mark. In this respect, applicants should seek the advice of their attorneys upon filing an application for such a mark in order to determine appropriate tactics in an effort to successfully register it.

Schedule 1



Schedule 2

i)



ii)



iii)



Schedule 3



Note that the mark was filed in red and yellow.

Schedule 4



Schedule 5



Schedule 6

