RECHTSPRECHUNG

Claim for the Revocation of the Decision of the Patent Office on Trade Mark Application Judgment of the Supreme Court, Second Petit Bench, 6 July 2001¹

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Company H applied to register the trade mark "PALM SPRINGS POLO CLUB" for suits, coats, shirts and other apparel products. The Patent Office rejected this application on 2 March 1995. In the adjudication procedure which followed, the Patent Office dismissed the appeal of the Company on the grounds that with the word "POLO" in the application, there was a possibility of people being misled into believing that the product was somehow associated with Ralph Lauren. Under the circumstances the trade mark under application was not eligible for registration under Art. 4, para. 1, subpara. 15 of the Trade Mark Law² as a trade mark which may create confusion with products or services of other entities.

The Company brought an action to court for the revocation of this decision by the Patent Office. The first instance court – Tokyo Appellate Court – quashed the decision of the Patent Office.

The Appellate Court acknowledged that "POLO" was a trade mark widely recognised among companies in the trade and the general public as a trade mark representing apparel products designed by Ralph Lauren. On the other hand, the Court also pointed out that polo was a word widely known as the name of a game. Palm Springs is well known as a resort place in the United States. "Club" means an association of those who share a common interest. "Therefore, people in the trade as well as consumers will recognise 'PALM SPRINGS POLO CLUB' as a club for the game of polo located in Palm Springs; it is not likely that the word 'POLO' will be isolated from the entire trade mark and be associated with Ralph Lauren".

The Patent Office appealed to the Supreme Court. The Supreme Court accepted the ruling of the Appellate Court in that "POLO" is widely recognised among companies in the trade and the consumers in Japan as a trade mark representing apparel products designed by Ralph Lauren and enjoys a high level of publicity, and that polo is the name of a game and there is a common noun as polo shirts. However, according to the

¹ Available at <www.courts.go.jp> (in Japanese).

² *Shôhyô-hô*, Law No. 27/1959, last amended by Law No. 81/2001.

Supreme Court, the trade mark under application is to cover apparel products which are the same or closely related to the products in which the trade mark "POLO" is currently used. The companies trading in these products as well as consumers are common with those of "POLO" products. Furthermore, the products in which the trade mark under application is to be used are for the use of the general public without any specialist knowledge. The standard of awareness exercised when buying these products is not necessarily high. Therefore, the fact that the "POLO" trade mark does not have a high level of originality should not be taken into account when deciding whether the applied trade mark is confusing or not.

It is possible, the Supreme Court proceeded, that "PALM SPRINGS POLO CLUB" means a club for the game of polo located in Palm Springs. However, in the light of the high level of publicity and the similarity of the products as well as the overlap of the customers basis, it can be easily foreseen that the word "POLO" in the trade mark under application attracts strong attention of the consumers. It is likely that this trade mark will create a perception that this is a product related to the business of Ralph Lauren or related entities.

The trade mark under application is an integrated trade mark containing a part which is common with the trade mark of Ralph Lauren products. From the appearance, name, and ideas, it is possible that this part will be recognised separately from the remaining part of the trade mark. Also taking into account the high level of publicity of the "POLO" trade mark, and the overlap of the products which are covered and the customer basis, the trade mark under application is likely to mislead people in the trade as well as consumers and create confusion with the "POLO" trade mark. If registration of this trademark is allowed, it may enable a free ride on the "POLO" trade mark and may result in its dilution.

Thus, the Supreme Court quashed the judgment of the Appellate Court.