

A Comparison of Standards Used for Judging Trademark Similarities Between Japan and the U.S. *

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1. Introduction

In April 2016, the Intellectual Property High Court made a decision that the trademark,¹ FRANK MIURA (in Japanese) for watches is not confused with the trademark FRANCK MULLER for watches on the grounds that the consumer will not be confused between them since FRANK MIURA (in Japanese) watch which is a quite cheap parody of FRANCK MULLER watch which is highly expensive.² In many jurisdictions, trademark examiners refuse a registration on the grounds that the mark is identical to or confusingly similar to previously registered marks used for the specified goods or services, such that consumers would mistakenly believe that they originate from the same source. The issue of whether two word trademarks are confusingly similar is indeed highly relevant to linguistics. Sometimes linguists are called to attend court as expert witnesses in the U. S., and yet this rarely happens in Japan.

This paper analyzes how Japanese and the U.S. examiners reach a conclusion regarding whether that two word marks are confusingly similar in evaluating a trademark application. Results of such a comparative study indicate that the Japanese approach is efficiency-oriented and conducted in a mechanical manner with emphasis on sound similarity, while the U.S. approach weighs the meaning and commercial impression generated by a mark under specific conditions.

2. Background context

Trademark offices can refuse to register a mark on various grounds in accordance with local laws and regulations, but one of the most frequent issues for forensic linguists³ is the likelihood of confusion between the mark in question and a mark that is already registered or

* I am sincerely grateful to Professor Ippei Inoue of Keio University for his helpful suggestions and

¹ A trademark, often called as a brand name or a mark, is defined as “any word, name, symbol or device (or any combination thereof) that identifies and distinguishes the source of the goods of one party from those of others.” (INTA 2012)

² *In re FMTM Distribution Limited.*, Trial No. 10219

³ As a type of applied linguistics, the use of linguistics knowledge in law cases such as trademark-related matters is called forensic linguistics.

pending registration (Butters, 2010). The process is laid down in Examination Guidelines for Trademarks (Japan) and Trademark Manual of Examining Procedure (U.S.) respectively. Similarity between marks in appearance, sound, and meaning are primarily considered as well as similarity of the goods or services associated with the marks. As regards the linguistic aspects, Shuy (2002), a leading forensic linguist, explains that key factors are syntax and morphology (appearance), phonetics and phonology (sound), semantics and pragmatics (meaning).

2.1. Examination Guidelines for Trademarks in Japan

Examination Guidelines for Trademarks (hereinafter referred to as the examination standards) published by the Japan Patent Office (JPO) prescribes that a judgment on the similarity of marks must be based on the consumer impression, recollection and/or association created by the mark “with consideration given to a class of main users (for example, difference in expertise, age and gender, etc.) of the designated goods or services on which the trademark is used.”⁴ As a long-standing trademark practice in Japan, similarity of two marks in just one respect—appearance, sound, or meaning— will result in a determination that the marks are similar (Matsuda, 2017). However, the examination standards were revised that the examiners should take into account all the relevant aspects, including appearance, sound and meaning.

2.2. Trademark Manual of Examining Procedure in the U.S.

The Trademark Manual of Examining Procedure (TMEP) published by the United States Patent and Trademark Office (USPTO) is to a great extent based on the decisions of prior cases in addition to the statutory regulations. The 13 factors relevant to a determination of likelihood of confusion were discussed in the seminal case, and they are employed as *DuPont factors* in many cases⁵. TMEP explains the following two *DuPont factors* are key considerations in any likelihood of confusion determination:

- The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
- The relatedness of the goods or services as described in the application and registration(s).

⁴ Examination Guidelines for Trademarks Part III Chapter 10: Article 4(1)(xi) Section 1(3)

⁵ *In re E. I. du Pont de Nemours & Co.*, 476 F.2d 1357, 177 USPQ 563, 567

Commercial impression, which is one of the factors considered when comparing marks for similarities, is distinctive because it is not included in the Japanese examination standards. This refers to the main image or idea that arises from the appearance, sound, and meaning of a particular mark once a consumer encounters the mark in association with specific goods or services in the market place. The TMEP also places importance on “the similarity or dissimilarity of established, likely-to-continue trade channels” and “the conditions under which and buyers to whom sales are made, i.e., ‘impulse’ vs. careful, sophisticated purchasing” although “not all of the *DuPont factors* are relevant to every case, and only factors of significance to the particular mark need be considered.”⁶

3. Study

This study attempts to demonstrate the differences between Japan and the U.S. as regards how a mark is judged to resemble a prior or pending mark in the course of trademark registration.⁷

3.1.Data

This study focuses on the examiners’⁸ decisions in response to applicant appeals against a refusal to register their word marks on the grounds of similarity. The written decisions issued during 2002-2017 were extracted from Darts-ip, a global database dedicated to Intellectual Property cases including trademark cases. The collected data were divided into four groups as follows:

| | Similar | Dissimilar |
|-------|----------|------------|
| JPO | 20 cases | 20 cases |
| USPTO | 10 cases | 10 cases |

Table1. Document groups

3.2.Methodology

This research is based on a text analysis using MAXQDA, computer software for qualitative data analysis (QDA) that allows one to assign themes (“codes”) to data segments (e.g., sentence or paragraph), constructing a hierarchical coding system (“coding”). For this study, the codes involved in the comparison of trademark similarity are appearance, sound,

⁶ TMEP 1207.01

⁷ Note that this study focuses on administrative decisions, not judicial decisions.

⁸ Strictly speaking, the refusal is made by an examiner, and the decision on appeal proceedings is made by a trial examiner in Japan and an administrative judge in America. In this article, the examiner and judge are collectively called “examiner.”

and meaning. Interpretations and evaluations based on the coding results are facilitated by a variety of visual tools such as tables and charts.

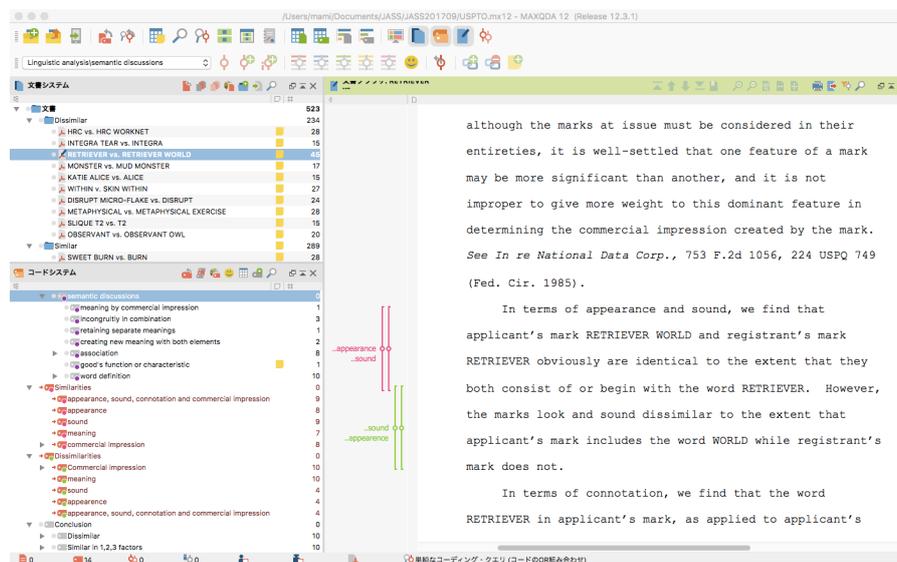


Figure 1. Full screen in this MAXQDA project which consists of the document system, coding system and document browser.

4. Results and Discussion

4.1. Japan

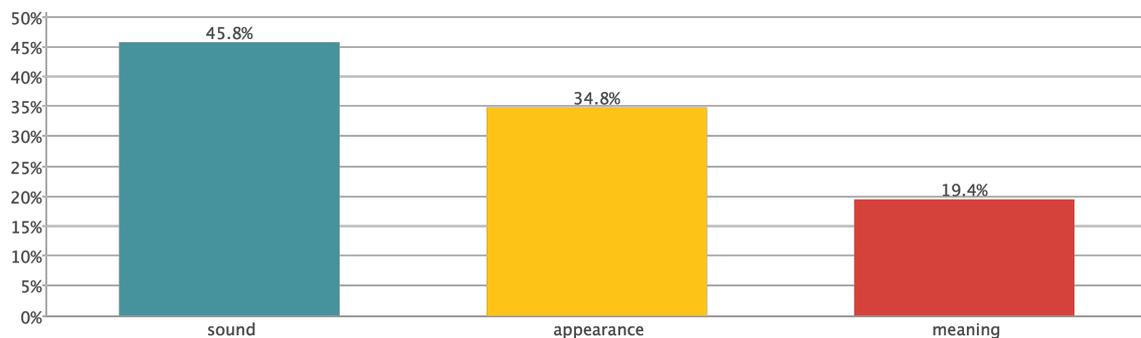


Figure 2: Proportion of tag counts of mark similarities by category in Japan

Figure 2 shows that similarity of sound is most frequently (45.8%) considered in Japanese decisions. This may arise from distinctive phonetic characteristics as well as the fact that the examination standards provide more substantial and detailed explanations regarding sound similarity. These factors presumably allow the Japanese examiners to proceed relatively smoothly with the question of similarity in sound.

In contrast, it can be seen that similarity of meaning is the least important of the three factors (19.4%). Looking into this in more detail, we find that in 40% of cases a comparison of meaning is either missing or regarded as impossible since the meanings cannot be specified owing to the absence of dictionary definitions. Undeniably, trademarks are often coined words or new compounds. It is sometimes difficult to specify the meanings of such marks. Dictionaries are the only basis to define the meaning of a mark, so the examiners may

put aside any discussion of meanings to speed up the examination. However, mere inconvenience is no excuse for avoiding any examination of whether the meanings of two marks are similar or not. In many cases, the component parts of a coined or compound mark can be found in a dictionary. If this were the case, consumers would respond to such marks in a meaningful way, and there would be a question of confusion arising between conflicting marks regarding nuance or connotation. It can be pointed out that the framework is insufficient to deal with the comparison of coined or compound marks. For instance, the Applicant's mark, PREMIUM RICH NAIL (in katakana) for nail cosmetics and toiletries was considered to be dissimilar to PREMIUMRICH (both in English and katakana) for toiletries on the grounds that they cannot be understood immediately and thus consumers would not confuse them. Also, these marks are distinguishable in terms of sound and appearance because of the additional elements.⁹ Whereas each element (PREMIUM, RICH, NAIL) is a familiar word to Japanese consumers and can be found in dictionaries, the examiners concluded that these marks are indivisible coined words and the consumers cannot grasp the meaning of either as a whole. In the examination standards, it is assumed that a foreign word has no meaning if the word is not understood immediately by consumers even though the meaning may be found in a Japanese dictionary.¹⁰

To sum up, in judging the similarity of two marks, the examiners tend to rely on sound, which is easier to differentiate due to its precise and absolute discriminative property, and to evaluate with the help of the detailed examination standards. On the other hand, less weight has been given to similarity of meaning, which is complex and largely indefinable. It is reasonable to suppose that the JPO operates in a mechanical and uniform fashion avoiding ambiguity to ensure efficient examination in the course of trademark registration.

4.2.America

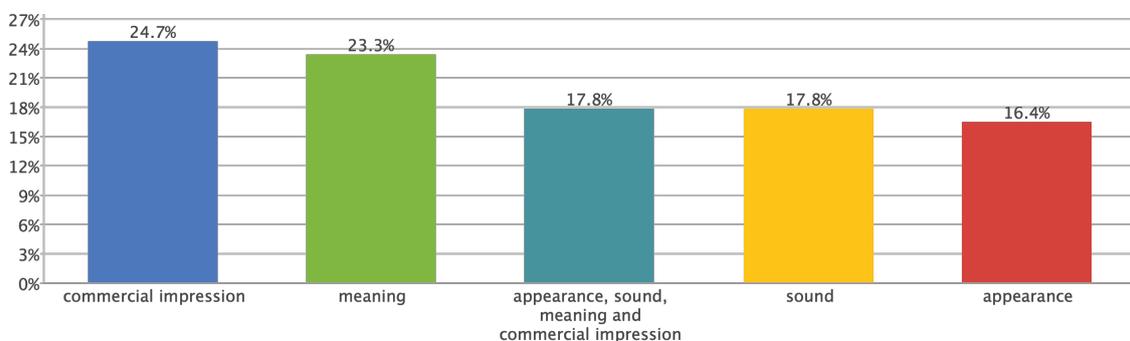


Figure 3: Proportion of tag counts of mark similarities by category in the U.S.

⁹ *In re ROHTO Pharmaceutical Co., Ltd.*, Appeal No. 2016-003873

¹⁰ Examination Guidelines for Trademarks Part III Chapter 10: Article 4(1)(xi) Section 2(1)c

Figure 3 is a breakdown of mark similarities in the U.S. decisions. The two dominant factors, commercial impression (24.7%) and meaning (23.3%) are followed by sound (17.8%) and appearance (16.4%).¹¹ This reveals that, in comparison to Japan, much more weight has been given to meaning and commercial impression when examining the similarity of marks. As explained above, commercial impression is the image or idea derived from the mark in connection with the goods or services, and is a more abstract component than meaning. For instance, the administrative judge determined that there is no likelihood of confusion between applicant's mark OBSERVANT OWL and a previously registered OBSERVANT for monitoring and recording software, holding that "the additional term OWL in Applicant's mark significantly distinguishes the meaning and overall commercial impression of Applicant's mark from that of the cited mark."¹² While the examiner who made the initial refusal claimed that owls which "have excellent vision – particularly night vision" are characterized as "hav[ing] a watchful thoughtful look," the administrative judge finally identified the image of "OWL" differently and concluded:

Applicant's mark as a whole clearly invokes a specific type of bird commonly associated with wisdom rather than observation, while the cited mark connotes only the adjective "observant." The shared term "observant," moreover, is highly suggestive of computer software for monitoring and recording. . . . we find the meaning and overall commercial impression made by the mark OBSERVANT OWL to be sufficiently dissimilar from the cited mark OBSERVANT to render confusion unlikely even though the goods are overlapping.

This case suggests that the difference in overall commercial impression can outweigh other similarities despite the existence of shared elements.

As an example of the importance of meaning, a foreign word which ordinary American consumers would "stop and translate" and the English equivalent are assumed to be confusingly similar under the doctrine of foreign equivalents. Whether this doctrine is applicable or not is analyzed by referring to dictionaries, the Internet, and research

¹¹ Explaining of the inclusive code (appearance, sound, meaning, and commercial impression), the code was assigned to the segments where the examiners determine the similarity or dissimilarity in all factors simultaneously.

¹² *In re Appgraft LLC*, Serial No. 85843178

databases.¹³ The doctrine of foreign equivalents may reflect the multicultural nature of American society.

In contrast to Japan, the similarity or dissimilarity of sound are less frequently considered than the two dominant factors i.e., meaning, and commercial impression. This tendency is significantly different from the Japanese examination, in which similarity in sound is weighed the most in judging on the similarity of a mark. With respect to similarity in sound, TMEP affirms that “there is no “correct” pronunciation of a mark because it is impossible to predict how the public will pronounce a particular mark; therefore, “correct” pronunciation cannot be relied on to avoid a likelihood of confusion.”¹⁴ Another possible reason for the lack of “correct” pronunciation is the link or lack thereof between spelling and pronunciation in English which has been developed with loanwords from many languages.

In sum, the U.S. examiners put more emphasis on analyzing the meaning and commercial impression that marks create in connection with the designated goods or services. As in the case of the possible connotations of OWL, which may vary from culture to culture, similarity involves cultural and social background. In the U.S., similarity of sound is less frequently mentioned as how a mark will be pronounced is considered unpredictable.

5. Conclusion

In conclusion, the key factors relevant to finding that the marks are confusingly similar are reversed between Japan and America. Japanese examiners pursue efficiency and focus on sound similarity since it is easier to compare thanks to distinctive phonetic characteristics and more elaborated examination standards pertaining to the sound comparison. Similarity of meaning is less considered. On the other hand, the U.S. examiners focus on the meaning and commercial impression created by a mark under specific conditions, putting less emphasis on sound. It must be said that this study is not comprehensive because the analyzed data is limited to the decisions by the administrative offices, i.e., JPO and USPTO. Hence, further research on the decisions made by the courts may be required.

¹³ TMEP 1207.01(b)(vi)

¹⁴ TMEP 1207.01(b)(iv)

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