

**Supreme Court of the Kingdom of Thailand**

**S.C. No.8405/2011**

**Nippon Grease Company Limited v. Department of Intellectual Property**

**Court** : Supreme Court

**Kind of Case** : Civil Case

**Date of Judgment** : 2011/09/20

**Plaintiff** : Nippon Grease Company Limited

**Defendant** : Department of Intellectual Property

**Area of Law** : **Trademark**

**Statue** : The Trademark Act B.E. 2534 (1991)

**Panel of Justices**

Parinya Deepadung - Aram Senamontri - Tatchapan Praputnitisan

**Background**

The plaintiff, a limited company under the laws of Japan, is the legal owner of the trademark “NIPPON GREASE CO.,LTD.”. The plaintiff had filed 3 trademark applications, i.e. Application No. 621347 for goods under class 1, No. 621348 for goods under class, 4 and No. 624118 for goods under class 2, all of which were rejected by Trademark Registrar. The plaintiff subsequently appealed the registrar’s decisions with the Trademark Committee, which later ruled in favor of the registrar. The Committee reasoned that trademark “NIPPON GREASE CO.,LTD.” is a name of a juristic person which does not possess any special characteristics, thereby lacks distinctive quality pursuant to Trademark Act B.E. 2534 section 7 para 2(1). In addition, the evidence presented by the plaintiff was insufficient to prove that the above mentioned trademark is, and has been used so extensively in Thailand that it was considered having a distinctive quality. The plaintiff sued the defendant, requesting the court that (1) trademark “NIPPON GREASE CO.,LTD.” under 3 applications be registrable, (2) the order of the Trademark Registrar and ruling of the Trademark Committee be revoked, and (3) the defendant proceed with trademark registration for said 3 applications.

## **Issues**

Whether or not all of the three trademark applications for “NIPPON GREASE CO.,LTD.” contained distinctive quality pursuant to Trademark Act B.E. 2534 section 7 para 2(1).

Whether trademark “NIPPON GREASE CO.,LTD.” under the above 3 trademark applications acquired distinctiveness through the secondary meaning.

Whether the trademark was well known.

## **Proceeding History**

The Central Intellectual Property and International Trade Court held that the claims be dismissed.

The Supreme Court partly affirmed the lower court’s judgment and ruled as follows:

- (1). that the registrar’s order and the ruling of the Trademark Committee for the application No. 621348 be revoked.
- (2). that the defendant proceed with trademark registration for the application No. 621348,
- (3). that the other requests by the plaintiff be dismissed.

## **Analysis**

The Supreme Court ruled that trademarks that consists of juristic person’s names may be inherently distinctive under Trademark Act B.E. 2534 section 7 para 2 (1) when said trademarks show distinctive character and are not directly descriptive of the character or quality of the goods. “NIPPON GREASE CO.,LTD.” is merely a full name of a company and the plaintiff failed to show any distinctive character relating to the mark. The mark “NIPPON GREASE CO.,LTD.” consists of all Roman capital letters. Moreover, the trademark contained the word “CO., LTD”, which stands for company limited. Although the plaintiff claimed that it had designed the letters “EAS” to be curvy with the base of letter “A” connected to letter “E” and “S”, it was merely a minor change to Roman letters. As a consequence, those who saw this mark would not immediately know that “NIPPON GREASE CO.,LTD.” is in fact a trademark, and not a company’s name. With the above reason, it is ruled that trademark “NIPPON GREASE CO.,LTD.” is not inherently distinctive under Trademark Act B.E. 2534 section 7 para 2(1). Since the mark already lacks distinctiveness, it is no longer necessary to determine whether the trademark is descriptive. The Supreme Court affirmed with lower court’s judgment regarding this issue.

The next issue is whether trademark “NIPPON GREASE CO.,LTD.” under the above 3 trademark applications acquired distinctiveness through the secondary meaning such as sale, use

or advertisement of the trademark until it is well known under Trademark Act B.E. 2534 section 7 para 3 and section 7 para 2(1).

The Supreme Court ruled that pursuant to Trademark Act B.E. 2534 section 4, whether or not trademarks are registrable shall be determined from the use of trademarks as the indication of source or in connection with the goods. During the hearing, the representative of Sunnoko(Thailand) Co., Ltd., a distributor of the plaintiff's products in Thailand testified that the company had imported only lubricants and grease under trademark "NIPPON GREASE CO.,LTD." since 1995 and subsequently sold the products to factories with the said trademark affixed on the tanks where the mark can be easily seen. The Court therefore overturned the judgment of the lower court on this issue and ruled that the plaintiff had acquired distinctiveness through the use of trademark "NIPPON GREASE CO.,LTD." as the indication of source for lubricants to distinguish the plaintiff's lubricants from ones under other trademarks.

On the issue of well known mark, Trademark Act B.E. 2534 section 7 para 3 prescribes that names and words not having the characteristics under (1) or (2) if used as trademarks with goods which have been widely sold or advertised in accordance with the rules prescribed by the Minister by notification and if it is proved that the rules have been duly met shall be deemed distinctive. The Ministerial Notification effective at the time of the applications stated that the goods that bear the trademark in question must be continuously sold or advertised for a considerable period of time until the general public or related public in Thailand know and recognize that such goods are distinguished from the others. During the hearing, the plaintiff demonstrated documents of sales between the plaintiff and its various distributors in Thailand, as well as documents of sales between such distributors and their customers ranging from 2001 to 2006. The plaintiff also showed letters from companies in Thailand certifying that they had been using the plaintiff's products under trademark "NIPPON GREASE CO.,LTD." in various trademark categories since 1995, such as a chemical substance for metal work as well as a substance for rust prevention. However, no witnesses had come forward to testify this in court. These letters alone therefore shall be heard with due care. Only lubricants and grease had been testified about by the representative of Sunnoko (Thailand) Co., Ltd. Nevertheless, grease products in the photos submitted to the court did not show plaintiff's trademark "NIPPON GREASE CO.,LTD.". The Supreme Court therefore concluded that the plaintiff had continuously used its trademark "NIPPON GREASE CO.,LTD. with its lubricants for a considerable period of time until the related public in Thailand know and recognize that the plaintiff's product is different from other products under the Ministerial Regulations concerning the Proof of Distinctive Marks under section 7 para 3 of Trademark Act B.E. 2534 dated March 12, 2003. The Court partly affirmed the lower court's decision. Hence, it is ruled that trademark "NIPPON GREASE CO.,LTD" of application no. 621348 for the lubricants acquired sufficient distinctiveness for trademark registration.

**Keywords** Trademark – Distinctiveness – Descriptive Mark - Revocation – Company name

**Summarized and Translated by** Akedanai Techajongjintana

**Edited**