

**Supreme Court of the Kingdom of Thailand**

**S.C.8405/2011**

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

**Court** : Supreme Court

**Case** : Civil

**Date of Judgment** : September 20, 2011

**Plaintiff** : Nippon Grease Company Limited

**Defendant** : Department of Intellectual Property

**Concept** : Trademark

**Statue** : The Trademark Act B.E. 2534 (1991)section 7

**Panel of Justices**

Prinya Deepadung, Aram Senamontri, DhajaphanPrabhudhanitisarn

**Case Background**

The plaintiff, a limited company under the laws of Japan, is the owner of the trademark “NIPPON GREASE CO.,LTD.” The plaintiff had submitted three applications for trademark registration which were all refused by the Trademark Registrar. The plaintiff subsequently appealed against the Registrar’s order to the Trademark Board. The Board

affirmed the Registrar's order on the grounds that the trademark "NIPPON GREASE CO.,LTD." was a name of a juristic person which did not have any special characteristics and therefore was deemed to have no distinctive character pursuant to section 7 paragraph two (1) of the Trademark Act B.E. 2534 (1991). In addition, the evidence presented by the plaintiff was insufficient to prove that the above mentioned trademark has already been widely advertised and used in Thailand. Against the Board's decision, the plaintiff appealed to the court that its trademark had distinctive character and therefore was registrable. The plaintiff requested for a revocation of the Registrar's order and the Board's decision.

### **Procedural History**

The Central Intellectual Property and International Trade Court dismissed the case.

The plaintiff appealed to the Supreme Court.

The Intellectual Property and International Trade Division of the Supreme Court partly affirmed the lower court's judgment. It revoked the Trademark Registrar's order and the Trademark Board's decision regarding Application Number 621348. It ordered the defendant to proceed to process the registration under Application Number 621348 and dismissed the rest of the appeal.

### **Issues**

1. Does the trademark "NIPPON GREASE CO.,LTD." have distinctive character pursuant to section 7 paragraph two (1) of the Trademark Act B.E. 2534 (1991)?

2. Is the trademark “NIPPON GREASE CO.,LTD.” deemed to have distinctive character on the grounds that it has been used with goods which have been widely sold or advertised in accordance with the rules prescribed by the Minister of Commerce pursuant to section 7 paragraph three and section 7 paragraph two (1)?

### **Rationales**

1. A trademark consisting of a juristic person’s name may be deemed distinctive under section 7 paragraph two (1) of the Trademark Act B.E. 2534 (1991) if it demonstrates a distinctive character and does not directly refer to the character or quality of the goods. “NIPPON GREASE CO.,LTD.” is merely a full name of a company and the plaintiff failed to demonstrate any distinctive characteristic of the mark. The mark “NIPPON GREASE CO.,LTD.” wholly consists of Roman capital letters and contains the abbreviation “CO., LTD.,” which stands for “Company Limited.” Even though the plaintiff claimed that it had designed the letters “EAS” to be curvy by connecting the bottom of “A” to “E” and “S”, it is merely an insignificant change of Roman letters. Consequently, the mark is unlikely to enable the public to immediately recognize that “NIPPON GREASE CO.,LTD.” is a trademark, not a company’s name. It is therefore held that trademark “NIPPON GREASE CO.,LTD.” is not inherently distinctive under section 7 paragraph two (1) of the Trademark Act B.E. 2534 (1991). As the mark lacks distinctiveness, it is no longer necessary to determine whether it has direct reference to the character or quality of the goods because it would not render the mark distinctive. The lower court’s judgment is affirmed in this part.

2. According to section 4 of the Trademark Act B.E. 2534 (1991), a mark shall be considered as a trademark under the law only when it is used in connection with certain goods,

it can distinguish those goods from others under another person's trademark. During the trial, the representative of Sunnoko(Thailand) Company Limited, the distributor of the plaintiff's products in Thailand, testified that Sunnoko (Thailand) had imported lubricating oil from the plaintiff under the trademark "NIPPON GREASE CO.,LTD." in 1995 and subsequently sold those products to factories with such trademark affixed on the tanks where it could be easily seen. Accordingly, it is evident that the plaintiff's trademark "NIPPON GREASE CO., LTD." was already used to distinguish the lubricating oil under such trademark from other lubricating oil products under another person's trademark. In this light, it is proved that "NIPPON GREASE CO., LTD." has been used as a trademark, not only as a manufacturer company's name.

Section 7 paragraph three of the Trademark Act B.E. 2534(1991) stipulates that *names and words not having the characteristics under paragraph two (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, 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 stipulates 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 relevant public in Thailand is aware and recognizes that such goods are different from others.

The plaintiff has submitted as evidences the documents of sales between the plaintiff and various distributors in Thailand, as well as the documents of sales between those distributors and their customers from 2001 to 2006. It also submitted letters from Thai companies certifying that they had been using the plaintiff's various products under trademark "NIPPON GREASE CO.,LTD." since 1995, such as chemical substance for metal work, initial substance for rust prevention. Nevertheless, without the representatives from those

companies testifying in the trials, the documental evidences alone are to be considered cautiously. In this regard, there was only the representative from Sunnoko (Thailand) Company Limited that was present at the trial and testified that Sunnoko (Thailand) had imported lubricating oil products from the plaintiff under the trademark “NIPPON GREASE CO., LTD.” as shown in the photos submitted to the court. However, in relation to the other products, only the documental evidences are inadequate to prove that the above mentioned rules prescribed by the Minister have been duly met, especially when taking into account the photos submitted to the court which showed that the plaintiff’s trademark “NIPPON GREASE CO.,LTD.” was not affixed onto the sold grease products. Apart from the lubricating oil products, it is therefore held that the plaintiff has not submitted sufficient evidences to prove that it has continuously used its trademark “NIPPON GREASE CO.,LTD.” with the other products for a considerable period of time until the relevant public in Thailand becomes aware and recognizes that the plaintiff’s products are different from others. Hence, the trademark “NIPPON GREASE CO.,LTD” is deemed distinctive and registrable only in connection with lubricating oil products. Only the Application Number 621348 shall be processed. Apart from this part, the lower court’s judgment is affirmed.

**Keywords** trademark, distinctiveness, revocation, company name

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