

## Defense Against an Injunction by Trademark Infringement

The Japanese trademark holder and distributor of a kind of floating neck collars for infants brought the first of two litigations against a defendant distributor of essentially the same floating neck collars in Japan, seeking an injunction on sales of the collars, based on a claim of trademark infringement, among other remedies.

An injunction on product sales based on trademark infringement can sometimes be blocked if sales of the defendant's product meet the standard for a parallel import. A parallel import is a non-counterfeit trademarked product imported from another country without the permission of the intellectual property owner. Internationally, there is no consistency in laws dealing with parallel imports. In Japan, a single case from the Supreme Court outlined three criteria necessary for a successful parallel import plea, but it nevertheless remains quite difficult to convince a court to accept a plea based on the theory of parallel imports.

KLO was engaged to represent the defendant distributor, and a parallel import plea was our best option. We put extensive efforts into showing that the defendant's infant collars were non-counterfeit products threatening no dissolution of the rights holder's trademark, by meeting the three criteria offered by the Supreme Court of Japan: (i) the trademark rights holder itself put the trademark on the defendant's products, (ii) the trademark on the defendant's products clearly showed that the product was the trademark rights holder's, and (iii) the trademark on the defendant's products guaranteed the same quality as it did on the plaintiff's products.

The court ultimately ruled in favor of our client, the defendant distributor, for all the reasons we had argued. Sensing defeat, the Japanese rights holder began a separate, second action against our client just as this case was nearing conclusion, described below.

Locations in which this case decision was published or cited:

- Japanese Court Website: [http://www.courts.go.jp/app/hanrei\\_jp/detail7?id=87206](http://www.courts.go.jp/app/hanrei_jp/detail7?id=87206)