PATENT COURT OF KOREA
FOURTH DIVISION
DECISION

Case No.	2019Heo1308 Invalidation (Trademark)
Plaintiff	A CEO B Counsel for Plaintiff Yoon & Yang LLC Attorneys in charge Chulgun LIM, Dongju KWON
Defendant	C Australia Representative D
Date of Closing Argument	October 23, 2020
Decision Date	November 13, 2020

ORDER

1. The portion of the IPTAB decision on Case No. 2018Dang2734 dated December 6, 2018 concerning 'providing recreational and amusement facilities featuring trampolines' among the designated service business of the service mark of the international registration No. 1182416 shall be revoked.

2. Plaintiff's remaining claims are dismissed.

3. Plaintiff shall pay two thirds of the litigation costs and Defendant shall pay the remainder.

PLAINTIFF'S DEMAND

The IPTAB Decision 2018Dang2734 dated December 5, 2018 shall be revoked.

OPINION

1. Background

A. Registered Service Mark at Issue

1) Registration number/ date of subsequent designation: No. 1182416/ July 3, 2015

2) Composition: BOUNCE inc

3) Designated service business: Provision of play facilities for children; providing recreational and amusement facilities; providing recreational and amusement facilities featuring trampolines under Goods and Services Classification Class 41.

4) Right holder: Defendant

B. Prior-registered Trademark and Earlier-filed Service Mark Claimed by Plaintiff

1) Prior-registered trademark (Plaintiff's Exhibit 17)

A) Registration number/ filing date of application/ date of registration: Trademark registration No. 1066920/ December 11, 2013/ October 29, 2014

B) Composition: 태권바운스

C) Designated goods: Air bounce (equipment for games or sports on clothes inflated by an air blower), inflatable toys, inflatable swimming pools (play articles), inflatable thin rubber toys, parlor games, trampolines, games and toys, gymnastic and sporting articles (excluding those that belong to other classifications), and water bikes under Goods and Services Classification Class 28.

D) Right holder: Jin-guk NAM

2) Earlier-filed service mark claimed by plaintiff (Plaintiff's Exhibits 19, 22-1 and 2)

A) Original application number/ filing date of original application/ divisional application number/ filing date of divisional application: No. 45-2015-0006900/ July 27, 2015/ No. 41-2016-0011363/ March 10, 2016

B) Composition: 

C) Designated service business: Franchising of sports complex playground where trampolines facilities are installed and providing and operating of indoor playground equipment where trampolines facilities are installed under Goods and Services Classification Class 41.

D) Applicant: Plaintiff

C. Procedural History

1) The plaintiff filed a petition seeking invalidation of the registered service mark at issue (the "subject service mark") against the defendant with the Intellectual Property Trial and Appeal Board (the "IPTAB"), stating that "The subject service mark is a descriptive mark that indicates, in a common manner, the characteristics of the designated service business, and is unrecognizable for consumers to identify which goods related to whose business it indicates, thereby

falling under Article 6(1)(iii) and (vii) of the old Trademark Act (the "Act" before it was amended into Act No. 14033 on February 29, 2016; hereinafter the same shall apply), and it is similar to the prior-registered trademark in mark and designated service business, thereby falling under Article 7(1)(vii) of the Act, and therefore the registration thereof should be invalidated."

2) The IPTAB reviewed the above appeal by the plaintiff under Case No. 2018Dang2734, and issued an administrative decision to dismiss the plaintiff's claims in its entirety on December 5, 2018 (the "IPTAB decision"), concluding that "The subject service mark cannot be deemed to directly indicate the nature of the designated service business such as quality, efficacy and use, nor can it distinguish from service businesses of another person, thereby not constituting the grounds for invalidation under Article 6(1)(iii) and (vii) of the Act, and the subject service mark is different from the prior-registered trademark in mark, thereby not falling under Article 7(1)(vii) of the Act with no need to further examine the similarity in designated service business and goods thereof."

[Factual Basis] Regarding as confession under Article 150(3) of the Civil Procedure Act,[1] the statements in Plaintiff's Exhibits 1-4, 17, 19, and 22 (including any multi-level numbering thereof, for which the same shall be applied unless otherwise specified), and the purport of the overall argument

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1) The defendant appointed a counsel as the respondent and submitted a written answer at the administrative trial stage following the plaintiff's petition for trial (Plaintiff's Exhibit 2), but it is obvious to this Court that the defendant did not submit a written defense and was not present on the date of trial even after receiving a service of a duplicate of the written complaint and notice of the date of trial in accordance with the 「Treaty on Judicial Assistance in Civil and Commercial Matters Between the Republic of Korean Australia」.

2. Summary of Plaintiff's Argument for Revocation of IPTAB Decision

The registration of the subject service mark should be invalidated in its entirety because there exist the following grounds for invalidation, and the IPTAB decision ruling otherwise is erroneous and should be revoked.

1) The subject service mark is recognized only in the text part of 'BOUNCE,' which, when used in the designated service business, 'providing recreational and amusement facilities featuring trampolines,' not only will make general consumers or traders intuitively understand the meaning of 'a place to jump,' but also is widely used in the name of designated service businesses, and therefore the subject service mark has grounds for invalidation in accordance with Article 6(1)(iii) and (vii) of the Act.

2) The subject service mark is similar to another person's registered trademark for which the application was filed earlier in mark and designated goods, thereby constituting grounds for invalidation in accordance with Article 7(1)(vii) of the Act.

3) Designated goods of the subject service mark, in the subsequent designation process, was amended on May 26, 2016, and the designated service business before amendment, 'providing of entertainment facilities (S121001),' and the designated service business after amendment, 'providing of entertainment and amusement facilities (S121002),' are not similar and thus the amendment in the designated service business constitutes a change of the purport, and therefore the filing date of application of the subject service mark should be deemed on May 26, 2016, the date a written amendment thereof is submitted, in accordance with Articles 86-19(4) and 16(2) of the Act. The subject service mark is identical and similar to the earlier-filed service mark

claimed by the plaintiff ‘  ’ (divisional application No. 41-2016-0011363)’ in mark and designated goods, thereby constituting grounds for invalidation under Article 8(1) of the Act.

3. Whether Article 6(1)(iii) and (vii) of the Act is Applicable

A. Legal Principle

1) Article 6(1)(iii) of the Act states that any trademark consisting solely of a mark indicating, in a common manner, the origin, quality, efficacy, and use of the designated goods may not be registered because such a descriptive mark is an indication that is required in general processes of distribution of goods and thus anyone needs to use it and wants to use it, which means a grant of exclusive rights of the mark to a particular person is in appropriate for the sake of public interest, and if trademark registration is granted, it would be difficult to be recognized among similar goods of another person. Thus, whether a trademark falls under this principle should be determined objectively based on the concept of the trademark, the relationship thereof with designated goods, and the circumstances of the relevant marketplace. Therefore, in order for a trademark is deemed to indicate the quality, efficacy, and use of goods, the meaning of the trademark should be used actually for the quality, efficacy, and use of designated goods or recognized among general consumers or traders as indicating the quality, efficacy, and use of the goods (see Supreme Court Decisions, 2004Hu3454, dated April 27, 2006 and 2002Hu1140, dated August 16, 2004).

Therefore, in principle a mark in a foreign language should be the case where general consumers or traders can intuitively recognize the meaning thereof, but if the objective meaning thereof indicates the quality, efficacy, and use of goods and the mark is being used actually

for the quality, efficacy, and use of goods as it is meant, it should be considered as indicating nature even though the word itself is not easily accessible to general consumers and can only be understood by searching a dictionary (see Supreme Court Decisions, 2002Hu192, dated May 13, 2003, 89Hu513, dated August 8, 1989, and 83Hu22, dated May 9, 1984).

2) Article 6(1) of the Act prescribes in sub-paragraph 7 a case where trademark registration may not be granted that "Any trademark, other that those as referred to in sub-paragraphs 1 through 6, which does not enable consumers to recognize whose goods it indicates in connection with a person's business," and this means that any trademark that does not fall under sub-paragraphs 1 through 6 but does not identify the source goods of another person may not be registered. Distinctiveness of a trademark must be determined objectively based on the concept of the trademark, the relationship thereof with designated goods, and the trade practice. In case it is difficult to draw a conclusion on the distinctiveness of goods from the perspective of common sense or it is deemed unsuitable to grant an exclusive right to a specific person for the sake of public interest, such a trademark shall be considered non-distinctive (see Supreme Court Decision, 2012Hu2951, dated December 27, 2012).

3) The above legal principle is also applicable to service marks in accordance with Article 2(3) of the Act.

B. Discussion

1) Established facts

A) 'Bounce' is an English word that means 'to hop' or 'to spring' as a verb and 'springing' or 'moving up' as a noun, and is an easy word that is normally understandable to any students of middle

and high school. According to the English dictionaries of the Internet portal sites NAVER and DAUM and 'trampoline' in Wikipedia, an Internet encyclopedia, 'bounce' is a verb commonly used with the noun 'trampoline,' as can be seen in example sentences such as "bounce on a trampoline."

B) The lyrics of the popular song "bounce," which singer Yong-pil CHO recorded and released on the album 'Hello' around 2013, contain the phrase "Baby you're my trampoline you make me bounce bounce," and this song was selected as the 'best song' by 'Korean Gallup' in 2013. Among overseas books, "Life's a Trampoline, Learn to Bounce (author Karl H. Koch; Plaintiff's Exhibit 11-1," and "Full of Bounce!: Trampoline Tips & Tricks (authors Richard Haby & Nathan Freind; Plaintiff's Exhibit 11-2)" have also been published.

C) Among the public hospitality businesses such as kids cafes, indoor playgrounds, and play facilities with trampolines, companies that include '바운스[ba-un-s] (phonetic notation for bounce in Korea,)' and 'bounce' in their trade names are 'Bounce Pang Pang (located in Seo-gu, Daejeon; Plaintiff's Exhibit 12-1),' 'We Bounce (located in Yangju-si, Gyeonggi-do; Plaintiff's Exhibit 12-2),' 'Gym Bounce (located in Namyangju-si, Gyeonggi-do; Plaintiff's Exhibit 12-3),' 'AI Bounce (located in Seongbuk-gu, Seoul; Plaintiff's Exhibit 12-4),' 'EQ Bounce (located in Bucheon-si, Gyeonggi-do; Plaintiff's Exhibit 12-5),' 'GH Bounce (located in Cheongju-si, Chungcheongbuk-do; Plaintiff's Exhibit 12-6),' 'Bounce Plus (located in Ansan-si, Gyeonggi-do; Plaintiff's Exhibit 12-7),' 'Vaunce Trampoline Park (located in Seocho-gu, Seoul; Plaintiff's Exhibit 12-8),' 'Zoo Bounce Club Trampoline Park (located in Gimpo-si, Gyeonggi-do; Plaintiff's Exhibit 12-9),' 'Takkurine Bounce Bounce (located in Songpa-gu, Seoul; Plaintiff's Exhibit 12-10),' 'i-zon air bounce (located in Namyangju-si, Gyeonggi-do; Plaintiff's Exhibit 12-11),' and 'Bounce (located in Changwon-si, Gyeongsangnam-do; Plaintiff's Exhibit 12-12).'

D) Among trademarks that include as designated goods ‘trampoline’ among sports equipment (similar group code G430301) and ‘provision and operation of indoor playground facilities equipped with trampoline’ among provision and operation of entertainment facilities (similar group code S1210002), 14 trademarks are filed with ‘Bounce’ displayed in mark such as STYLE BOUNCE (Application No. 40-2010-0019180) and BLACK BOUNCE (Application No. 40-2017-0048997), and 9 trademarks are filed with ‘바운스[ba-un-s] (phonetic notation for bounce in Korea,)’ displayed in mark such as 스타일바운스 (application No. 40-2010-0019173) and 키가쑥쑥 점프점프 (application No. 41-4012-0016266).

E) Regarding the designated goods ‘trampolines’ registered with the USPTO, a disclaimer of ‘BOOGIE BOUNCE’ of ‘ Boogie Bounce Xtreme (serial No. 79167230; Plaintiff’s Exhibit 14-1)’ is inserted in the application; regarding the designated goods ‘trampolines,’ a disclaimer of ‘BOUNCE’ of ‘BOUNCE MASTER (serial No. 87726907; Plaintiff’s Exhibit 14-2)’ is inserted in the application; concerning the designated goods ‘trampolines,’ a disclaimer of ‘BOUNCE SAFE’ of ‘ Bounce SAFE (serial No. 88057999; Plaintiff’s Exhibit 14-3)’ is inserted in the application; concerning the designated goods ‘trampolines,’ a disclaimer of ‘BOUNCESTAR’ of ‘ BounceStar(serial No. 87829502; Plaintiff’s Exhibit 14-4)’ is inserted in the application; regarding the designated goods ‘fitness classes using a mini-trampoline for strength and cardio,’ a disclaimer of ‘BOUNCE’ of ‘DEFINE BOUNCE (serial No. 86963656; Plaintiff’s Exhibit 15-5)’ is inserted in the application; regarding the designated goods ‘trampolines,’ a disclaimer of ‘HEALTH BOUNCE’ of ‘ (serial No. 86301098; Plaintiff’s

Exhibit 14-6)' is inserted in the application; concerning the designated goods 'mini-trampolines,' a disclaimer of 'BOUNCE' of ' 

(serial No. 79118859; Plaintiff's Exhibit 14-7)' is inserted in the application; regarding the designated goods 'entertainment in the nature of a trampoline part,' a disclaimer of 'BOUNCE' of 'NINJA BOUNCE (serial No. 87673053; Plaintiff's Exhibit 14-8)' is inserted in the application; and regarding the designated goods 'operating indoor recreation centers featuring trampolines,' a disclaimer[2] of 'BOUNCE' of ' 

(serial No. 4079723; Plaintiff's Exhibit 14-10)' is inserted in the application.

F) In each examination for 'BE BOUNCE' of trademark registration application No. 77501164 and 'BOUNCE' of trademark registration application No. 86665178, the examiner at the US Patent and Trademark Office stated that 'bounce,' in its relationship with the designated goods such as 'mini-trampolines,' is merely descriptive of the nature of trampolines and thus registration is not granted unless a disclaimer of the portion, 'bounce,' is submitted (Plaintiff's Exhibits 15, 16).

[Factual Basis] Regarding as confession under Article 150(3) of the Civil Procedure Act, the statements and images in Plaintiff's Exhibits 6-17, and the purport of the overall argument

2) Analysis

A) Regarding 'providing recreational and amusement facilities featuring trampolines' among designated service businesses

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2) A disclaimer under the US Trademark Law refers to a system where the intention of an applicant that does not claim rights to the portions of a trademark that lack distinctiveness and thus is not registrable is recorded in the register, and by doing so, the registration of the trademark is permitted but the rights to the non-distinctive portions thereof are not exercised.

of the subject service mark

Considering the following circumstances that can be understood from the above established facts, it is reasonable to view that the subject service mark is a descriptive mark indicating in a common way the nature of the designated service business, 'providing recreational and amusement facilities featuring trampolines,' among the designated service businesses thereof and is a non-distinctive mark which does not enable consumers to recognize whose services it indicates in connection with a person's business.

(1) 'BOUNCE' in the subject service mark is an English word that means 'to hop' or 'to spring' as a verb and 'springing' or 'moving up' as a noun and is pronounced as '바운스[ba-un-s] (phonetic notation for bounce in Korea,)' and is an easy word that is normally understandable to students of the third grade of middle schools or high school students, and 'trampoline' means 'a gymnastic sport where a person jumps up or does flying spins, etc. on a tetragonal or hexagonal mat with springs or the equipment used for such sport.

(2) In light of registration and examination cases of the USPTO, 'bounce' seems to be frequently used as a verb to refer to the use of 'trampoline' in British and American countries, that is, the act of hopping or jumping.

(3) In Korea, a number of marks including 'bounce' such as 'Bounce Pang Pang' have been adopted and used under the trade name of an amusement facility equipped with trampolines, and a number of trademarks or service marks with provision and operation of indoor playground facilities equipped with trampolines as designated goods have been filed.

(4) Considering the above circumstances in light of the level of English distribution in Korea, if 'BOUNCE' of the subject service mark is used in the designated service business, 'providing recreational and amusement facilities featuring trampolines,' general consumers would not have any difficulty in understanding intuitively

the meaning of ‘BOUNCE’ as ‘playing by jumping or hopping (on a trampoline)’ or a place to play by jumping or hopping (using an equipment).’

(5) ‘  ’ in the subject service mark is a mark combining ‘  ,’ which includes the English letter ‘BOUNCE’ written in sans-serif type and the designed ‘  ’ of the fourth letter ‘N,’ and ‘  ’ which is the vertical writing of ‘INC.’ Here, ‘’ means ‘incorporated’ and lacks distinctiveness, and even though it is written vertically like ‘,’ it occupies a small proportion of the entire mark and is at the far right and thus it is not noticeable. For ‘,’ the diagonal stroke of the letter ‘N’ includes colors including yellow, black, and red as if it is wrapped, but the outer edge of the letter is not modified, and the proportion of the designed ‘’ of the entire mark is merely about one-seventh of the width, so it is simply recognized as a decoration of the letter ‘N.’ As such, it is difficult to view that the degree to which ‘’ is added or the degree to which ‘’ is designed has reached the level of attracting special attention from the general public enough to overwhelm the recognition power of the letter ‘BOUNCE’ and therefore it is not deemed that the subject service mark creates a new concept beyond the original meaning of the letter portion thereof, ‘BOUNCE,’ or a new distinctiveness.

B) Regarding ‘provision of play facilities for children,’ ‘providing recreational and amusement facilities’ among designated service businesses of the subject service mark

The concept of the service industry of ‘provision of play facilities for children’ and ‘providing recreational and amusement facilities’ is broad, meaning ‘play facilities for children’ and ‘recreation and amusement facilities’ and cannot necessarily be deemed to be limited to the form of business of jumping or bouncing play, and there is no evidence to otherwise admit that regarding these types of businesses,

‘바운스[ba-un-s](phonetic notation for bounce in Korea,)’ and ‘bounce’ make general consumers or traders intuitively recognize any quality, efficacy, and use of designated service businesses or that they constitute marks lacking distinctiveness to distinguish designated goods from other products under social norms.

Therefore, the subject service mark is not a descriptive mark indicating, in a common manner, the nature of the remaining designated service businesses, ‘provision of play facilities for children, providing recreational and amusement facilities,’ nor is it a non-distinctive mark that does not enable consumers to recognize whose services it indicates in connection with a person’s business.

C. Summary of Discussion

In summary, the subject service mark is a descriptive mark indicating in a common manner the nature of designated service business, ‘providing recreational and amusement facilities featuring trampolines,’ among the designated service businesses and a non-distinctive mark that does not make consumers recognize whose services it indicates in connection with a person’s business, thereby falling under grounds for invalidation in accordance with Article 6(1)(iii) and (vii) of the Act, but it cannot be deemed that there exist grounds for invalidation under Article 6(1)(iii) and (vii) of the Act in its relationship with the remaining designated service business, ‘provision of play facilities for children, providing recreational and amusement facilities.’

4. Whether Article 7(1)(vii) of the Act is Applicable

A. Legal Principle

1) The similarity of a composite trademark consisting of two or

more letters or figures combined should be determined based on the appearance, sound, and concept by the overall appearance, sound, and concept of the trademark. Then, if there is a part that independently functions as source indicator of the goods by leaving an impression of the trademark on ordinary consumers or by inducing them to remember or associate with the trademark, i.e. prominent part, it is necessary to use the prominent part to determine the similarity of the trademarks in comparison, to reach proper conclusion based on overall observation. The prominent part of a trademark becomes the subject to determination of similarity of trademarks because of its unique distinctiveness that is prominently recognized by general consumers by itself regardless of other parts, and thus if there exists the prominent part in a trademark, it is possible to determine the similarity of a trademark by comparing only the prominent part without having to determine whether it can be separately viewed. In addition, whether a part in a trademark is prominent should be determined by comprehensively considering the following matter: the level of distinctiveness compared to other parts, the level and degree of combination thereof with other parts, relationship with the designated goods, and trade practice as well as whether the part is well-known and famous or gives a strong impression to ordinary consumers and whether the part takes up a higher importance in the trademark (see Supreme Court Decision, 2015Hu1690, dated February 9, 2017).

2) The prominent part of a trademark becomes the subject to determination of similarity of trademarks because of its unique distinctiveness that is prominently recognized by general consumers by itself regardless of other parts, and thus any part with little or no distinctiveness cannot be the prominent part (see Supreme Court Decisions, 2001Hu1808, dated December 14, 2001 and 2004Hu912, dated May 25, 2006).

B. Discussion

1) ‘바운스’ of the prior-registered trademark, ‘태권바운스,’ when used for ‘air bounce, inflatable toys, inflatable thin rubber toys, and trampolines’ of designated goods classification class 28, is deemed to make ordinary consumers or traders intuitively perceive it as ‘bounce and play’ or ‘a place where you can jump or bounce’ for the above mentioned reasons, and thus it lacks distinctiveness in the relationship with the designated goods, thereby not constituting the prominent part. ‘태권’ does not enable intuition of the above concept in the relationship with the designated goods, and therefore it is difficult to view that the part lacks distinctiveness. Thus, it is reasonable to deem that ‘태권’ is the prominent part of the prior-registered trademark in its relationship with the designated goods classification class 28, ‘air bounce, inflatable toys, inflatable thin rubber toys, and trampolines.’

Meanwhile, it is difficult to deem that ‘바운스’ lacks distinctiveness because of the failure to cause intuition of the above concept in the relationship with the remaining designated goods ‘inflatable swimming pool {playing goods}, indoor play goods, watercycle, recreational equipment and toys, gymnastics and sports goods {excluding those belonging to other categories}, and unless there are materials to assume that either side has the superiority in the level of distinctiveness compared each other in the relationship with ‘태권,’ the prior-registered trademark should be observed by ‘태권바운스’ in its entirety.

2) The subject service mark is a composite mark combining ‘BOUNCE’ containing ‘N,’ designed portion of the English letter ‘N,’ and ‘INC,’ which is ‘INC’ written in small font on the right while the prior-registered trademarks ‘태권바운스’ and ‘태권’

are a mark consisting of five letters and 2 letters in Korean, and these two marks are different not only in appearance due to differences in the type and number of constituent letters and the composition method of the marks but also in sound and concept.

C. Summary of Discussion

In summary, the subject service mark is not identical or similar to the prior-registered trademark in mark and thus without having to further determine the identity or similarity in designated service business of the subject service mark and designated goods of the prior-registered trademark, it cannot be deemed that there exist grounds for invalidation under Article 7(1)(vii) of the Act in the relationship with the prior-registered trademark.

5. Whether Article 8(1) of the Act is Applicable

A. Legal Principle

1) When two or more applications for trademark registration are filed on different days with respect to the same or similar trademark to be used on the same or similar goods, only one person who files an application earlier than others shall be entitled to obtain a registration for the trademark (the Act Article 8(1)).

2) In cases of the international application that has been registered internationally under the 「Protocol relating to the Madrid Agreement Concerning the International Registration of Marks」 (hereinafter the "Protocol") and that subsequently designates the Republic of Korea, the date on which the subsequent designation is recorded in the International Register shall be deemed the filing date of application for trademark registration (the Act Article 86-14(1) and (2)).

3) Where any amendment falls under reduction of the scope of designated goods, rectification of any clerical error, or explanation of any obscure entry, the purport of an application for trademark registration shall be deemed unchanged (the Act Articles 86-19(4) and 16(1)). Where any amendment of a trademark or designated goods concerning an application for trademark registration filed before service of a certified copy of a decision to publish an application is recognized to have modified the purport after the establishment of trademark rights is registered, the application for trademark registration shall be deemed to have been filed at the time a written amendment thereof is submitted (the Act Articles 86-19(4) and 16(2)). Except as provided in Article 15 of the Act, any applicant may make amendments to the designated goods relevant to his/ her application for trademark registration only when the applicant has been notified of the grounds for rejection under Article 23(3) to the extent that the purport of the initial application for trademark registration remains unchanged (the Act Articles 86-19(1) and 14(1)).

B. Discussion

1) Established facts

The following facts can be found by adding the purport of the overall argument to the statements in Plaintiffs Exhibits 1, 5, 19, 20, 21, and 22.

A) The subject service mark is an international application registered internationally under international registration No. 1182416 in accordance with the Protocol on September 11, 2013, with the subsequent designation of the Republic of Korea, Kazakhstan, the Philippines, Russia, and Turkey as designated states in the International Register on July 3, 2015.

B) After the above international registration, the defendant

applied for subsequent designation in the Republic of Korea on July 3, 2015, and through the publication of the application under publication No. 2017-0019355 on February 22, 2017, registration for establishment of rights was granted under international registration No. 1182416 on May 1, 2017. In the Designations subsequent to International Registration (Plaintiff's Exhibits 20-1 and 2) among the documents submitted by the defendant at the time of the subsequent designation, the designated service business of the subject service mark is indicated as "Children's entertainment services; providing facilities for entertainment' provision of entertainment facilities" under the International Classification of Goods and Services Class 41.

C) In response to the defendant's application for subsequent designation above, the KIPO examiner, through the Notification of Ex Officio Provisional Refusal (Plaintiff's Exhibit 5), notified of the grounds for rejection in accordance with Article 23(2)(i) of the Act (Plaintiff's Exhibit 5) on January 27, 2016, stating that "The subject service mark ① is identical or similar to the prior-registered trademark of another person, '**BOUNCE** (registration No. 82880),' in mark and designated goods, constituting the grounds for rejection under Article 7(1)(vii) of the Act, ② is identical or similar to the earlier-filed service mark for which the application was filed earlier by another person, '**BOUNCE** (international registration No. 1272899),' in mark and designated goods, constituting the grounds for rejection under Article 8(1) of the Act, and ③ is in violation of Article 10(1) of the Act because the described designated service business of the subject service mark, "Children's entertainment services; providing facilities for entertainment; providing facilities for entertainment; provision of entertainment facilities," is not specific or is too broad a definition to accept."

D) The grounds for rejection stated in the above Notification of Ex Officio Provisional Refusal include that "The above ground for

rejection ③ may be reviewed if the applicant amends or deletes the identification to specify the definite commercial name for the services as shown in examples such as from 'children's entertainment services' to 'provision of play facilities for children, etc.,' from 'providing facilities for entertainment' to 'providing of amusement facilities, etc.,' and from 'provision of entertainment facilities' to 'provision of amusement facilities, etc.,'" and that "Please note that, while an application may be amended to clarify or limit the identification, addition to the identification is not permitted. Therefore, the applicant may not amend to include any goods/ services that are not within the scope of the goods and services recited in the present identification. Korean Trademark Act, Article 14(1), 16(1)."

E) The defendant handed in the (Submission of) Amendment to International Trademark Registration Application (Plaintiff's Exhibit 21-1) on May 26, 2016 and amended the designated service business of the subject service mark to "Provision of play facilities for children; providing recreational and amusement facilities; providing recreational and amusement facilities featuring trampolines (hereinafter the above amendment is referred to as the "subject amendment").

F) Regarding the earlier-filed service mark claimed by the plaintiff, the plaintiff filed an original application on July 27, 2015 and a divisional application on March 10, 2016 under application No. 41-2016-0011363 (related application No. 45-2015-6900) with 'multi-sports playground franchise with installed trampoline facilities, business of providing and operating indoor playground facilities with trampolines' under goods and services classification class 41, and was notified of the rejection decision by the KIPO examiner on September 1, 2017 on the ground of 'the similarity to the subject service mark in mark and designated service business.'

2) Discussion

A) According to the above established facts, the subject

amendment falls under the 'reduction of the scope of designated goods' and 'explanation of any obscure entry' under Articles 86-19(3), 16(1)(i) and (iii) of the Act and therefore it is deemed reasonable to view that the purport of an application for trademark registration remains unchanged.

B) The plaintiff argues that the designated service business before the subject amendment falls under 'providing of entertainment facilities (S110101)' and the designated service business after the subject amendment falls under 'providing of entertainment and amusement facilities (S121002)' and that the designated service businesses before and after the above amendment are differentiated according to Plaintiff's Exhibit 18 (KIPO's Guidance for Similar Group Code for Goods and Services) and thus the subject amendment should be deemed to constitute the change of the purport. However, the identity or similarity of designated goods or service business must be determined according to the trade norms, taking into account the quality, use, shape, and trade practice and is not bound to the above goods and services classification. This is because the goods and services classification is for the convenience of trademark registration and not stipulated by law, nor can it be completely stipulated by law, and a number of new goods and services developed due to industrial development cannot be handled only with a fixed goods and services classification (see Supreme Court Decision, 81Hu41, dated December 28, 1982). Moreover, there is no basis for considering that the designated service business, "Children's entertainment services; providing facilities for entertainment; provision of entertainment facilities," before the subject amendment falls under the 'entertainment industry' in the above Guidance, and the above Notification of Ex Officio Provisional Refusal (Plaintiff's Exhibit 5) by the KIPO examiner dated January 27, 2016 certainly assumes[3] that the change

3) Among the designated goods of the subject service mark, 'Provision of play facilities for children, providing recreational and amusement facilities'

made before and after the amendment to the designated service business does not constitute the change of the purport and therefore just the fact that 'entertainment business' and 'providing of entertainment and amusement facilities' are differentiated in the above Guidance cannot overturn the above established facts and the subject amendment cannot be deemed the change of the purport. The plaintiff's argument is unacceptable.

C) In summary, as long as the subject amendment cannot be regarded as a change of the purport of an application for trademark registration, the filing date of application for the subject service mark should be regarded as July 3, 2015, when the subsequent designation of the Republic of Korea as a designated state is recorded in the International Register, in accordance with Article 86-14(1) and (2) of the Act. Therefore, the fact that the filing date of application for the subject service mark precedes July 27, 2015, the filing date of original application for the earlier-filed service mark claimed by the plaintiff, is certainly clear.

C. Summary of Discussion

As a result, since the earlier-filed service mark claimed by the plaintiff cannot be considered to be filed earlier than the subject service mark, the subject service mark has no grounds for invalidation in accordance with Article 8(1) of the Act in its relationship with the earlier-filed service mark claimed by the plaintiff, with no need to further examine whether the subject service mark is similar to the earlier-filed service mark claimed by the plaintiff in mark and

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is a designated service business amended in the way as indicated in the example presented by the KIPO examiner, and the remaining designated service goods 'providing recreational and amusement facilities featuring trampolines' is a designated service business that is further reduced and limited than the example presented by the examiner.

designated service business.

6. Conclusion

As discussed above, the subject service mark falls under the grounds for invalidation under Article 6(1)(iii) and (vii) of the Act in its relationship with 'providing recreational and amusement facilities featuring trampolines' among the designated service businesses thereof, but in its relationship with 'Provision of paly facilities for children, providing recreational and amusement facilities,' except for the above designated service business, it cannot be considered to have grounds for invalidation under Article 6(1)(iii) and (vii) of the Act, nor has it the grounds for invalidation under Article 7(1)(vii) of the Act in its relationship with the prior-registered trademark and under Article 8(1) of the Act in its relationship with the earlier-filed service mark claimed by the plaintiff. As a result, the portion of the IPTAB decision that does not accept the plaintiff's claim 'providing recreational and amusement facilities featuring trampolines' among the designated service businesses of the subject service mark has erroneous grounds for concluding otherwise, but the remaining decision concluding the same shall be upheld. Thus, the plaintiff's claim to revoke the IPTAB decision is well grounded within the scope of the above recognition and shall be granted and the remaining claim is without merit and therefore dismissed.

Presiding Judge Sungsik YOON
Judge Soonmin KWON
Judge Taeksoo JUNG