

Use of the trademark “VIAGRA” with respect to repackaged imported pills constitutes infringement of the trademark right and unfair competition

“VIAGRA” case

2000 (Wa) No. 13904, decided on March 26, 2002

by Tokyo District Court

1. Facts

The plaintiff, Pfizer Products, Inc. is a US company which is a subsidiary of Pfizer Inc., a US company mainly manufacturing and selling erectile dysfunction drugs, namely “VIAGRA” pills and other pharmaceutical products, and mainly managing trademark rights and other intellectual property rights belonging to the Pfizer Group. The plaintiff owns trademark Reg. Nos. 4150713 “VIAGRA” (Goods: Pharmaceutical preparations in Class 5) and 4127593 “VIAGRA in Katakana” (Goods: Pharmaceutical preparations in Class 5) in Japan. Further, the trademarks “VIAGRA” and “VIAGRA in Katakana” have been very famous with respect to the “erectile dysfunction drugs” in relation to the business of the Pfizer Group, the plaintiff.

The defendant, Yasuido International is a Japanese company which imports and sells various types of daily use products. The defendant obtained orders for the “VIAGRA” pills from customers by mail, facsimile and the Internet and imported the “VIAGRA” pills (hereinafter called “defendant’s pills”), which were manufactured by the plaintiff, from Yoshida Corporation in U.S.A. and then sold them to the customers. The plaintiff used the trademark “VIAGRA” and “VIAGRA in Katakana” on its signboards, advertisements, trading documents, web page, etc. for said pills.

The plaintiff sought, based on the Trademark Law and Unfair Competition Prevention Law, to prohibit importing and selling of the defendants pills and use of the trademarks “VIAGRA” and “VIAGRA in Katakana” on the advertisements, trading documents and web page and

compensation for the damage the plaintiff suffered from such infringement .

The defendant insisted that it is merely acting as agent for personal importing “VIAGRA” pills instead of importing the products, and therefore it does not infringe the plaintiff’s trademark rights. However, taking the following facts into consideration, the court judged that the importation of the defendant’s pills is not considered to constitute acting as agent for personal importing or parallel importing of genuine products, and thus the use of the trademark “VIAGRA” with respect to the imported pills constitutes infringement of the plaintiff’s trademark rights and unfair competition;

(1) Yoshida Corporation obtained defendant’s pills from All International, a US company selling pharmaceutical products, and then repackaged them into a smaller package and sent them to Japan enclosed in envelopes.

(2) All International was not fully informed about the defendant’s customers when it provided the defendant’s pills to Yoshida Corporation.

(3) All International received payment for the defendant’s pills once a week from Yoshida Corporation. That is, it did not receive a payment per each customer.

(4) All International indicates in its web page that it never sells any products to individuals and requests that the name and address of the purchaser who orders the products be clearly indicated before it sells them.

(5) None of the customers of the defendant recognized that the seller of the products is All International.

(6) When there were shortfalls of or damage to products, the defendant take care of the same.

2. Decision

Consequently, the court decided as follows;

The defendant, together with Yoshida Corporation, purchased the defendant's products from All International, and then imported these products from U.S.A and sold them to their customers. Therefore, the acts by the defendant are not considered to constitute acting as agent for personal importing.

Further, since all the subject defendant's products were repackaged by Yoshida Corporation, the importing and selling of the defendant pills is not considered to be importing and selling of genuine products.

Therefore, use of the trademarks "VIAGRA" and "VIAGRA in Katakana" on the defendant's web page, signboards, advertisements and trading documents constitutes infringement of the plaintiff's trademark rights and further the importing and selling of the "VIAGRA" pills constitute unfair competition under the Unfair Competition Prevention Law.

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