

# *A Linguistic Exploration of Foreign Terms in Trademarks<sup>1</sup>*

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## **1. Introduction**

If trademarks are viewed as “the vessels for a legally protectable interest,” such as the goodwill and reputation of a trader, the scope of that protectable interest must coincide with that of trademark rights.<sup>2</sup> It is through the functions of trademarks that the interest can be realized. Many functions of trademarks have been identified in the legal literature. Scrutinizing the functions of trademarks, therefore, will provide helpful insight into a discussion on the protection of trademarks. Law is all about language. Trademark law is no exception. Language plays a substantial role in those functions. The language used in a mark can convey a significant amount of information about the wares or services associated with it. It communicates more information to consumers than is commonly recognized. It is then no wonder that the rights to use particular linguistic expressions are at the center of a dispute in a large number of trademark infringement cases. Even more interesting is the use of foreign language in trademarks. It differs from the use of the country’s official or common language (which is referred to as *common language* hereinafter) in trademarks, and often raises controversy as to its treatment under domestic and international laws, e.g., application of the so-called foreign equivalent doctrine to foreign language trademarks. This paper is devoted to the investigation of various properties of foreign terms in trademarks.

The functions of trademark language may not necessarily parallel the functions of trademarks. In the discussion below, while the functions of trademarks identified in the existing literature will be reviewed, some functions that are unique to the language of trademarks, which have not been addressed in the literature, will be identified. Those functions will also be considered in relation to legal protection of trademarks. In so doing, the concept of “public domain” will be incorporated into the analysis. I will argue that, although language is in the public domain by definition, if a means to trigger the functions in trademarks is distinctive and unique, or results from labour, it may be eligible for the protection within a

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<sup>1</sup> Among the things I presented at the congress, the functions of language in trademarks will be focused in this paper. The research reported in this paper is financially partly supported by the Grant-in-Aid for Young Scientists (B), The Ministry of Education, Culture, Sports, Science and Technology, Japan. I would like to express my gratitude to Professor Masaharu Miyawaki at Ritsumeikan University, Japan, for his helpful advice on the Japanese Trademark Act. I am also grateful to Professor Albert Ting at Ritsumeikan University and Mohsen Ahmed, a lawyer and my colleague at Osgoode Hall Law School of York University, Canada, for their valuable comments on the earlier version of this paper. All remaining errors are my own.

<sup>2</sup> Graeme B. Dinwoodie, *Trademarks and Territory: Detaching Trademark Law from the Nation-State*, 41 *Hous. L. Rev.* 894 (2004)

certain limit. The limitation of protection will be presumed in terms of contribution to social, industrial, and cultural development and Wilf's concept of public consent<sup>3</sup>.

This research will contribute to the scholarly discourse both in law and linguistics. The scrutiny of the functions of language in trademarks will help reveal implicit linguistic properties of foreign words in trademarks, which have not been fully identified in legal literature. Those functions and properties of language in trademarks are of interest to linguists as well, since language in a trademark has a unique set of functions and properties that language in ordinary use does not have. Furthermore, trademarks, whose study has just recently begun in linguistics<sup>4</sup>, offer an extremely rich and interesting data resource of language in context. Briefly, linguistics is a scientific study of linguistic data in context. Foreign words in trademarks are also part of such data and have rarely been studied as such.<sup>5</sup> Thus, the exploration of linguistic aspects of trademarks should intrigue both legal and linguistic experts and enrich the scholarly discourse of these fields.

## ***2. Public Domain and the Labour Theory of Trademarks***

The concept of public domain and the so-called *labour theory*, although not linguistic principles, will play a significant role in the discussion below. It is, therefore, indispensable to sketch out the framework of the public domain and the labour theory assumed in this paper. The public domain is commonly defined as "the status of an invention, creative work, commercial symbol, or any other creation that is not protected by any form of intellectual property."<sup>6</sup> If something is in the public domain, it "may be freely copied, adapted, and performed by anyone."<sup>7</sup> Language is supposed to be in the public domain for everyone to use freely, whereas trademarks are often asserted to be in the private domain as property that is subject to legal protection and limitation.<sup>8</sup> Indeed, a common assertion of intellectual property law is that information which is of value must be protected against unauthorized, arbitrary use by others.<sup>9</sup>

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<sup>3</sup> Steven Wilf, Who Authors Trademarks? 17 *Cardozo Arts & Ent LK* 1, 32 (1999)

<sup>4</sup> A work by Roger Shuy (*Linguistic Battles in Trademark Disputes*. New York: Palgrave 2002) is the landmark work in this area.

<sup>5</sup> In linguistics, to my knowledge, Shuy's (*Ibid.* Chapter 12) and Shudo (Sachiko Shudo, Trademark Distinctiveness in a Global Context. In S.K. Verma and Raman Mittal. eds, *Intellectual Property Rights: a Global Vision*, Indian Law Institute. pp.374-384, 2004) are the only works by linguistics that deal with this particular topic exclusively. Shuy scrutinises a US case in which trademarks containing a foreign language were at issue. He produced expert evidence in this case. Shudo examines some Japanese cases. However, neither of them discusses it from a point of view of international law, because their focus is solely on the linguistic analysis of foreign language trademarks.

<sup>6</sup> J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, § 1:2 4th rev. ed., Callaghan; Clark Boardman (2002)

<sup>7</sup> Tyler T. Ochoa, *Origins and Meanings of the Public Domain*. 28 *Dayton L. Rev.* 215, 217 (2002).

<sup>8</sup> General Agreement on Tariffs and Trade - Multilateral Trade Negotiations (The Uruguay Round):

Since the labour theory also plays a significant part with regard to the use of the public domain, it will be of help to clarify what counts as labour in intellectual property. Trademark law and other intellectual property laws differ with regard to incentives incurred by legal protection. The labour theory is often linked to the incentives of creators or inventors. The copyright system offers legal protection to the “product” of a copyright holder’s intellectual labour legal protection so as to “provide incentives to maximize cultural production.”<sup>10</sup> The same is true of the patent system. On the other hand, according to Carter, legal protection of trademarks incurs “incentives for firms to make investments aimed at gaining consumer confidence in their marks,”<sup>11</sup> i.e., incentives to create and maintain “goodwill” of their business associated with the marks. Creating or maintaining goodwill requires investment, advertisement, efforts to quality control, etc. It is indeed a labour. Therefore, it should be reasonable to presume that trademark protection is given to the labour to maintain and promote further incentives.

It is often claimed that, while the results of the intellectual labour must be novel in patent law, such a novelty requirement is lacking in trademark law. However, it is not always the case where trademarks can be accorded legal protection without novelty. In order for a new mark to be distinctive and registrable, for example, there must be some novelty in the structure of marks (e.g. as in fanciful marks such as *KODAK*, *XEROX*, etc.) or the association between a mark and a product or service (e.g. as in arbitrary marks such as *APPLE* for computers and *SAKURA* ‘cherry trees/blossoms’ for Japanese restaurants, and suggestive marks such as *7-ELEVEN* for a convenience store that was originally open from 7 am to 11 am and *SUGAR & SPICE* for bakery products). If the structure or association is one that already exists within the same jurisdiction, it cannot be used to distinguish the mark from the existing one. I assume that such novel features in a mark in terms of structure or association with the ware or service counts as a “fruit of intellectual labour” of the trader. Furthermore, although it is true that no novelty can be found in some marks, e.g., descriptive marks that have acquired a secondary meaning, trademark law in its common form still requires of the trader efforts to use a mark continuously, invest in or advertise the mark to establish the association between the mark and the product or service. Accordingly, intellectual property rights are not accorded to intellectual products for free, but they are awarded for some kind of

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Agreement on Trade-Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods of the General Agreement on Tariffs and Trade, December 15, 1993, 33 I.L.M. 81, 84 (1994) It expressly recognizes that “intellectual property rights are private rights.”

<sup>9</sup> *San Francisco Arts & Athletics, Inc. v. U.S. Olympic Committee*, 483 U.S. 522, 523-524 (1987) “When a word acquires value as the result of organization and the expenditure of labor, skill, and money by an entity, that entity constitutionally may obtain a limited property right in the word.”

<sup>10</sup> *Boston Prof. Hockey Assn. v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004, 1014 (1975)

<sup>11</sup> Stephen L. Carter, *The Trouble with Trademarks*. 99 *Yale L.J.* 759, 759 (1990); Moore (Adam D. Moore, *A Lockean Theory of Intellectual Property*. 21 *Hamline L. Rev.* 65, 70, 1997) claims that trademarks are commonly believed to be indifferent to the incentive-based argument for systems of intellectual property protection.

“labour,” either in the form of novelty or/and of efforts to attain a secondary meaning and to maintain goodwill. Thus, I assume that trademarks are eligible for legal protection against alienation by another when they are the fruits of labour.

However, a trademark holder is, I assume, not given an “exclusive” right to the use of the mark. Nor is the mark qualified for legal protection automatically even if it is a fruit of labour. Legal protection of a mark is given only under a certain condition. In order to define the condition, among various theories of legal protection as to the use of linguistic expression in the public domain, I will follow Wilf.<sup>12</sup> Since the mark belongs to the public domain, it must be open to the public. The public domain is part of the public’s culture. In other words, if it is “property” at all, it is a cultural property of the public. Wilf claims that acquiring cultural, public property requires consent from the public. “Culture and language is ultimately a collective enterprise.”<sup>13</sup> The use of a linguistic expression for a trademark, then, must obtain consent from the public. Consent is deemed to be reached when people come to share the linguistic expression of the mark in association with a ware or service in their mind. Then, it follows that the linguistic expression for a mark “cannot be alienated without consent.”<sup>14</sup> In other words, a trademark holder whose mark has already established people’s consent can protect his/her mark from another’s use, unless the latter’s use of the mark gains consent from the public.

Wilf’s idea is promising. However, it might wrongly predict that, for example, bad-faith use of someone’s mark by another or use of an obscene mark can be legally protectable if they are accepted by the public. To avoid these undesirable consequences, we will resort to another principle or condition in this paper with regard to the use of the public domain: the trader’s use of the public domain must contribute to social, industrial, and cultural development.<sup>15</sup> This assumption follows from the general proposition found in copyright and patent protection: the exclusive rights to intellectual products are endowed to the authors and writers to promote the social, cultural, and industrial development.<sup>16</sup> A similar assumption holds true for trademarks,<sup>17</sup> although we do not assume that the trademark right is an

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<sup>12</sup> Wilf, *supra* note 3 at 29-30.

<sup>13</sup> Wilf, *ibid.* at 30.

<sup>14</sup> *Ibid.*

<sup>15</sup> Justin Hughes, *Philosophy of Intellectual Property*. 77 *Geo. L.J.* 287, 299 (1988) ; Wilf, *supra* note 3 at 25. Note that this position with regard to the use of the public domain is still controversial in the literature. Cf. Carys J. Craig, *Locke, Labour, and Limiting the Author’s Right: A Warning Against a Lockean Approach to Copyright Law*. 28 *Queen’s L.J.* 1, 34 (2002)

<sup>16</sup> US Constitution, Art I, §8, cl.8.

<sup>17</sup> For example, Japanese Trademark Act, Article 1 provides for the industrial development that is expected by protecting trademarks as follows:

By protecting trademarks, this law aims to maintain goodwill in the businesses of trademark users and thereby to contribute to the growth and development of business and to protect the interests of the consumers.

exclusive right to a mark. In case of trademark protection, an unauthorized, confusing, or misrepresenting use of others' marks or use of obscene marks clearly would not add anything to the social, cultural, or industrial development: It does not enrich the public domain; it even harms the industrial development by confusing the market. Therefore, such a use should be precluded by law.

Let us examine this assumption more precisely. Coinage of new marks usually promotes the cultural development. Creation of new marks (e.g. *Lexus*) is associated with novelty. For example, the punctuation and spelling used in *TOYS"R"US* is not something already available. Similarly, the association of a name of a fruit *APPLE* with computers is new, which may well be considered to be a kind of intellectual labour. These ingenious efforts are unquestionably contributions to the culture. Even if a means to yield distinctiveness is less novel or ingenious, e.g., replacement of a letter with a homophonic one as in a *K* in place of a *C* in *Rice Krispies*, it can be considered to contribute to the cultural development, as long as the use of the means on a particular word or expression is not yet existent. Although the homophonous alteration is very common, for example, if nobody has used a *K* in place of *C* for cake (i.e., *KAKE*), it will be new to the culture and well considered to be its cultural contribution. If another trader subsequently employs the same spelling for part of its product (e.g., *MOON KAKE*), it does not add anything to the culture but may confuse consumers and the market. It is not desirable to permit such use.

Then, how should the use of the public domain contribute to industrial development? Trademark law coincides with other intellectual property laws in that all these laws confer and protect "the economic rights of the proprietor of intellectual property."<sup>18</sup> This, then, entails the following classification of the use of marks in relation to the contribution to the cultural development: i) a use of the public domain that contributes to the cultural development and does not infringe on the economic rights of a trademark holder; ii) one that contributes to the cultural development but infringes on the economic rights of a trademark holder; iii) one that neither contributes to the cultural development nor infringes on the economic rights of a trademark holder; iv) one that does not contribute to the cultural development and infringes on the economic rights of a trademark holder. Suppose that there are two marks in dispute. This classification captures the kind of mark that can be used when there is a similar pre-existing mark: (i) will be characteristic of an inherently distinctive mark; (ii), of a similar or confusing mark; (iii), of a generic or descriptive mark; (iv), of an identical mark. The use of public domain in (i) and (iii) can be used freely. However, legal protection can be given only to the junior mark of (i), since a mark of (iii), whether generic

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This translation is cited from Kenneth L. Port and Gerald Paul McAlinn, *Comparative Law: Law and the Legal Process in Japan*. (2<sup>nd</sup>) 684, Durham; Carolina Academic Press.

<sup>18</sup> Hughes, *supra* note 15 at 87.

or descriptive, lacks distinctiveness. This prediction concurs with the present trademark practice, which in turn suggests that the restriction formulated here is on the right track.

To summarize, 1) language is in the public domain and it is open for use for trademarks; 2) the use of linguistic expressions for a trademark requires consent from the public; 3) and the use of public domain must contribute to the social, cultural, and industrial development. Although these premises on the use of the public domain for trademarks are not completely determinative and may be in a controversial position in the scholarly discourse<sup>19</sup>, I believe, they will be of great help to scrutinize certain uses of a linguistic expression for a trademark and its eligibility for legal protection. The question as to exactly what kind of use of language should be permissible will be elaborated in the subsequent discussion.

### **3. Functions of Trademarks and Functions of Language in Trademarks**

The functions of trademarks *per se* are generally considered to be outside the scope of legal protection.<sup>20</sup> Rather, it is the “uses” of linguistic expressions (and images and product designs) that are protected by trademark law.<sup>21</sup> The term “use” remains obscure, although various laws attempt to define it as clearly as possible.<sup>22</sup> For the purpose of the discussion below, I define the “uses” of linguistic expressions that are eligible for legal protection in terms of the “triggers of the functions of trademarks.” It will then be demonstrated that the relationship between the triggers of functions and their legal protection can be best captured in terms of the concepts of “public domain” and “cognitive paths”<sup>23</sup>.

#### **3.1. Signalling Function**

As is commonly recognized, the most salient function of a trademark is its function as an indicator of the trade source of wares or services. It will be referred to, following Dreyfuss<sup>24</sup>, as the *signalling function* of trademarks. This function is often discussed in terms of the *source* theory and the *quality or guarantee* theory.<sup>25</sup> The former holds that the function of a trademark is to enable people to

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<sup>19</sup> E.g., Craig, *supra* note 15 at 35; Wilf, *supra* note 3, etc.

<sup>20</sup> Ochoa, *supra* note 7 at 28.

<sup>21</sup> Ibid. at 220; *Boston Prof. Hockey Assn. v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004, 1014 (1975).

<sup>22</sup> E.g., Japanese Trademark Act, Art.2 (3); Canadian Trade-Marks Act, R.S., 1985, c. T-13, s. 2; R.S., c. T-10, s. 4

<sup>23</sup> “Cognitive networks”, which consists of *nodes* and *links*, may be an alternative term for the same kind of concept. cf. Jacob Jacoby, *The Psychological Foundations of Trademark Law: Secondary Meaning, Genericism, Fame, Confusion and Dilution*. 91 *Trademark Reporter* 1013, (2001)

<sup>24</sup> Rochelle Cooper Dreyfuss, *Expressive Genericity: Trademarks as Language in the Pepsi Generation*. 65 *Notre Dame L. Rev.* 397, 400 (1990)

<sup>25</sup> These two theories have always competed with each other in trademark law. For example, Henderson

identify the source of the wares or services, while the latter supposes that the main function of a trademark is to guarantee that the public is receiving the same quality of wares and services that they have come to expect from the experience or knowledge that they have had with the mark. Thus, a trademark is a “signal” of the wares, services, goodwill or reputation of a trader or a product.

Linguistic expressions contained in trademarks play an important part in facilitating this function. It is often the case that consumers choose products relying on the information communicated by linguistic expressions of the marks. For example, it is very likely that they pick a product, if the mark sounds, looks, or means the same as the product they have a favourable experience with or know a good reputation of. On the other hand, some use of language in trademarks does not trigger the signalling function. Generic or descriptive terms generally lack the signalling function, because the use of those terms depends not on the previous experience or knowledge that consumers have about the products or services but heavily on the inherent semantic properties of language to describe the features associated with the wares or services. Furthermore, it is commonly assumed that generic and descriptive terms should not be limited to particular individuals or business entities. Therefore, they do not have the signalling function unless they acquire a secondary meaning.

Other marks such as fanciful marks (e.g. “Kodak” for cameras and other related products), arbitrary marks (e.g. “Apple” for computers), and suggestive marks (“7-Eleven” for convenience stores) depend on linguistic expressions to trigger the signalling function. They crucially differ from generic or descriptive marks in that they require unique “cognitive paths” in consumers’ minds to relate the goods or services to the marks, which the trademark holders have cultivated through advertising, efforts of quality-control, and promotion of goods and services. Terms used for those kinds of marks normally refer to something other than the products or services associated with the marks, and even nothing in the case of fanciful marks. In order for the marks to be associated with the products or services, unique cognitive paths must be created in consumers’ minds for the association, which is usually achieved by advertising and promoting goods and services. Under the natural right approach to trademarks, “people are entitled to hold, as property, whatever they produce by their own initiative, intelligence, and industry”.<sup>26</sup> Then, those cognitive paths may be regarded as the trader’s property, since they are shaped by the trader’s initiative, intelligence, and industry. If they are property, they are in the private domain and entitled to legal protection.

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(Gordon F. Henderson, An Overview of Intellectual Property. In Henderson, ed., *Trade-Mark Law of Canada*, Toronto: Carswell, 1993, at 4.) remarks that these two theories are “simply the opposite ends of a pendulum swing” under the Canadian trademark law regime, in the sense that the statute has been set toward the source theory, whereas cases have gone toward the guarantee theory.

<sup>26</sup> Lawrence C. Becker, *Property Rights: Philosophic Foundations*, at 32, London: Routledge and Kegan Paul (1977)

However, such a Lockean view of intellectual property rights is often criticized for its tendency toward overprotection<sup>27</sup> and will not be maintained here. Language belongs to the public domain and limitation of linguistic means should be minimized for the fruitful development of society and culture, since such limitation can seriously affect freedom of expression on which social, cultural, and industrial development is founded. Thus, it is incompatible with the contribution to the social and cultural development, which is an essential condition for legal protection of a mark in our approach. Furthermore, the cognitive paths created by the trader's effort, or labour, are in fact on consumers' minds. It is simply nonsense for one to monopolize something on others' minds as his/her property. The paths are shared by the public. They are, therefore, in the public domain. The Lockean approach above puts the paths in the private domain, which conflicts with our premise on public domain that language—assuming that the cognitive paths are part of language—is in the public domain. For these reasons, the traditional Lockean approach is not maintainable here. Our approach presumes legal protection for those paths as follows: The cognitive paths have been created and come to be shared by the public through the trader's effort. In other words, they are the fruits of the trader's labour. Also, the trader is successful in obtaining the public consent. Thus, trademark law should prohibit the reproduction or modification of the linguistic means to trigger the functions, i.e., the cognitive paths, if the use of the paths by another does not contribute to the enrichment of society, culture, and industry or if it is unsuccessful in obtaining consent.<sup>28</sup>

To recap then, in the case of the signalling function, the means to trigger the function should be protected by trademark law, if the cognitive paths for the association between the mark and the wares or services, i.e., the paths triggering the signalling function, have been created on consumer's minds—i.e., it has gained the public consent—and established in the trader's efforts and if such paths are used in a way that enriches society, industry and culture. [For example, providing such enrichment may be found in a linguistic system of a language with new means to communicate information by way of distinctive patterns of punctuation, grammar, vocabulary, etc.]

### **3.2. Expressive Function of Trademarks**

Dreyfuss remarks that trademarks, which “once functioned solely as signals denoting the source, origin, and quality of goods, have become products in their own right, valued as indicators of the status, preferences, and aspirations of those who use them.”<sup>29</sup> One such example cited in her article is the use of

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<sup>27</sup> Craig, *supra* note 15 at 48 (2002)

<sup>28</sup> Diane Conley, Author, User, Scholar, Thief: Fair Use and Unpublished Works, 9 *Cardozo Arts & Ent. L.J.* 15, 26 (1990)

<sup>29</sup> Dreyfuss, *supra* note 24 at 397.



the Mets' logo.<sup>30</sup> The Mets' logo on caps, banners, or tee-shirts, whose use is legally protected, does not denote the guaranteed quality nor does it point to the source or origin. The logo indicates, instead, the status, preferences and cheers for the team which the people that wear or have the items bearing the logo have. The function of a trademark in this use is called an "expressive" function.<sup>31</sup> The expressive function of trademarks falls outside the scope of the traditional scheme of trademark law, since it has almost nothing to do with protection of the consumer or a trader's goodwill and reputation, which are recognized as fundamental purposes of trademark law.<sup>32</sup>

Legal protection may be given straightforwardly in the case of the hybrid use of the signalling and expressive functions, since the triggers of signalling function *per se* can qualify for legal protection, if the mark has it at all. In the case of the pure expressive use of a mark, on the other hand, the "if value, then right" principle<sup>33</sup> may be employed to justify the legal protection of the mark. For example, a tee-shirt with a Mets' logo will be more profitable than the same tee-shirt without the logo. In this sense, the use of the logo itself is of value. It is the owner of the logo that made it of value through some kinds of activities appealing to the public (e.g., Mets' playing ballgames). In other words, it is fruits of labour. Thus, the mark can enjoy the benefit that the logo has created under legal protection.<sup>34</sup>

Linguistic expressions in trademarks also constitute an important factor in the expressive function. In the case of the *Mets*, for example, even if the word *Mets* appeared on a tee-shirt with a completely different logo design from the registered one, it would still be of value. The linguistic expression transmits the value that the trademark originally has, whether completely or partially. As has been discussed above, if the cognitive paths to trigger the function of a mark are successfully created on consumers' minds as a result of the trademark holder's labour, they may be given legal protection against

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<sup>30</sup> *Mets* is the name of a professional baseball team in the US.

<sup>31</sup> Dreyfuss, *supra* note 24 at 400.

<sup>32</sup> For example, Article 1 of the Japanese Trademark Act states:

By protecting trademarks, this law aims to maintain the goodwill in the businesses of trademark users and thereby to contribute to the growth and development of business and to protect the interests of the consumer.

The English translation of this article shown above is cited from Kenneth L. Port and Gerald Paul McAlinn, *Comparative Law: Law and the Legal Process in Japan*. Second edition, Durham: Carolina Academic Press (2003), at 684.

<sup>33</sup> General Agreement on Tariffs and Trade - Multilateral Trade Negotiations (The Uruguay Round): Agreement on Trade-Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods of the General Agreement on Tariffs and Trade, December 15, 1993, 33 I.L.M. 81, 84 (1994). In our approach, by the way, there is no such right as "trademark rights" assumed. Therefore, this principle is taken as something like a "if right, then eligibility for protection" principle.

<sup>34</sup> Under the analysis developed here, intellectual work is not eligible for legal protection only by being fruits of labour. Another's use of the mark must lack contribution to social or cultural discourse or public consent.

any reproduction or modification of the paths that does not contribute to the progress of social and cultural development. The linguistic expression of *Mets* is not a term that preexisted in English vocabulary. It then suggests that the cognitive paths that link the mark to the value have been created by the trademark holder's labour and have some contribution to the development of society, industry, and culture. Therefore, the paths that the linguistic expression of *Mets* has created should be protected against reproduction or modification by others if their use does not contribute to the social, industrial, and cultural development. Thus, it should be emphasized, again, that not all linguistic expressions and cognitive paths that trigger the expressive function are automatically eligible for legal protection.

### 3.3. Expressive Function of Language

Some language in trademarks has a slightly different type of expressive function. The use of language in an atypical pattern often adds some appeal or positive value to the mark. Since it is not a function of trademarks but an innate function of language, it should constitute a different type of expressive function. Let us call it the “expressive function of language,” as opposed to the “expressive function of trademarks.” This function is similar to the expressive function of trademarks in that it has nothing to do with indication of the source, nor does it guarantee the quality of the wares or services or the trader's goodwill or reputation. Furthermore, the accompanied value is not obtained as a result of labour. An example from the Japanese language should illustrate the argument more clearly.

Japanese has three alphabetic systems, *hiragana* (typically used for functional words and native words), *katakana* (typically used to describe the domestic phonetic counterparts of foreign words), and *kanji* (Chinese characters). When a word which typically appears in one of those Japanese alphabetic systems is written in another one, it can be recognized as a trademark. There is a very popular soup restaurant called “*Sūpuya*” in Shibuya, Tokyo. The name consists of two parts: a free morpheme *sūpu* ‘soup’ and a bound morpheme *-ya* ‘restaurant/store/shop’ (Figure 1). The former is written in *hiragana* and the latter, in *kanji*. The word *sūpu* ‘soup’ is a generic word for soup (a borrowing from English) in Japanese, and is typically written in *katakana* (Figure 2) The mark in question has it in *hiragana*.

Figure 1.

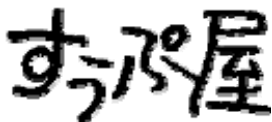


Figure 2.

スープ屋

By writing that part in a different alphabetic system, which is often observed in casual writing by young people, it succeeds in gaining some casualness in its mark, i.e., some additional appeal or value, and distinctiveness as well. The means to trigger the expressive function in the present example, i.e., the cognitive path, is fairly common and not created by the trademark holder. It should be free for anybody to use. However, the resulting product, the mark *Sūpuya*, would qualify for legal protection, thanks to distinctiveness incurred by the expressive function of language. Of course, this is not to say that the expressive function of language by itself suffices to make the mark qualify for a grant of trademark protection. Nor does the path itself qualify for legal protection automatically. If the path is created as a result of labour and contributes to social, cultural development, it will be given legal protection against infringement by another.

Another example is the use of irregular spelling in trademarks in English, e.g. *Kool* for menthol cigarettes. In this case, the replacement of a consonant or vowel with another, i.e., the use of a *K* instead of a *C*, evokes an identical sound and, perhaps, some stylishness to the people's mind. This is a fairly common technique employed for a variety of marks. Therefore, it should be freely applied to trademarks. The resulting mark (e.g. *Kool*) can be protected by law, because the mark gains distinctiveness invoked by the expressive function of language.

It should be noted that there are other means to trigger the expressive function of language that may require appropriate legal protection. Again, the paths to trigger the function may be eligible for appropriate legal protection against a use by others that lacks a social, cultural, and industrial contribution, if they are the fruits of labour. An illustrative example for this argument is *Toys“℞us* for *Toys“R”us*. The use of a flipped *R* in double quotations seems to suggest some “childishness,” since the reversed alphabetic letters are common errors found in children's writing. Childishness may not always be associated with a positive value. However, the wares that the trader (i.e., *Toys“℞us*) provides are targeted at children. In such a context, childishness would be not only appropriate but also advantageous because it denotes easy accessibility. Hence, some expressive “value” is added to the mark. The use of a flipped *R* in double quotations is a quite unique invention, i.e., fruits of labour of the company. The paths to trigger this expressive function may well be granted protection against unauthorized reproduction or modification that does not meet the conditions we have been assuming.<sup>35</sup>

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<sup>35</sup> Of course, other aspects of trademark may fulfill a similar function. However, since the purpose of this

### 3.4. Informative Function

Another important function of a trademark is the one that facilitates informed choices by consumers in the market.<sup>36</sup> Again, language can serve this function. For example, I have margarine in my refrigerator which I bought at a nearby supermarket. The name of the product on the lid of its container reads “*I Can’t Believe It’s Not Butter.*” As I have been suffering from high cholesterol, I have to consume margarine instead of butter, which is said to be lower in LDL and HDL cholesterol (although I prefer the taste of butter over that of margarine). When I went to the supermarket to buy margarine, I was hoping to find a kind of margarine that would taste as good as butter. The product’s name clearly conveyed all the information that I needed and helped me make that choice. Although it was not a product of a company that I had known of nor had any previous experience of enjoying a product of, I picked and bought it with an expectation that it would meet my need. It is clear that I solely relied on the linguistic information of the mark in choosing the product. Let us call this function of trademarks the *informative function*. This example clearly illustrates that some trademarks have the informative function and that language plays an important role in delivering this information.

Such examples abound. The names of products contain some information about some (peculiar) feature(s) they have. For example, the mark *Aero* for a chocolate bar informs consumers of the expected texture—e.g., lightness or softness. The mark *Diet Sprite* for a beverage suggests that the product is low in calories. *QuietJet* for printers implies an ink-jet printer that works quietly.

Legally protecting the informative function is trickier. The informative function itself tends to rest on the descriptive information of the product, since its main role is to describe, suggest, or communicate to consumers the features accompanying the product. However, if the language of the mark on a product is too descriptive or too generic, legal protection is unlikely to be given. For example, such an imaginary trademark as “*Butter-Like Tasting Margarine*” for margarine is unlikely to be distinctive or registrable as a trademark, and therefore unlikely to be given legal protection, while “*I Can’t Believe It’s Not Butter*” is likely to be and indeed is eligible for legal protection as a trademark. At first sight, these two marks may be equally informative. Their difference in qualifying for legal protection does not lie in the difference in the informative function between them or in their syntactic structure *per se*. Here again, we need to consider what triggers the function. If the trigger is something which is not the fruits of labour, legal protection is not necessary. The trigger rests on something beyond syntactic structure in these examples. In

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paper is the linguistic exploration of trademarks, the discussion is confined to the expressive function of “language” here.

<sup>36</sup> John T. Cross, *Language and the Law: The Special Role of Trademarks, Trade Names, and Other Trade Emblems*. 76 Neb. L. Rev. 95, 102 (1997)

the case of “*Butter-Like Tasting Margarine*”, it is the inherent properties of language that trigger or carry the informative function. The use of the language in these marks is regular and common, i.e., it is not the fruits of labour. Therefore, it is not eligible for protection, because limiting the use of language will impoverish vocabulary of the language and methods by which to express information in trademarks: others would be prevented from claiming that their products had a butter-like taste. On the other hand, in the case of “*I Can’t Believe It’s Not Butter*”, the way of describing the product is not straightforward and requires a leap of imagination. It is not a very normal or regular means of describing a product as a trademark. Some ingenuity can be found in the naming of the product, and it should be reasonable to regard this ingenuity as labour. Thus, these two descriptive names differ in labour, though they do not differ that much in terms of their informative function.

### **3.5. Economy of Language**

Landes and Posner attempt to characterize trademarks from economic perspectives.<sup>37</sup> Although their analysis is not exactly about the functions of (language in) trademarks, it has important implications for our analysis and therefore will be briefly reviewed here. Those scholars argue that there are two distinct costs for trademarks: the market for trademarked goods and the market in languages. The former refers to search costs of consumers. One of the benefits, or functions, of trademarks is reduction of search costs. Consumers seek to purchase wares or services at a reasonable price. Information in trademarks facilitates this.<sup>38</sup> If a consumer has had a favourable experience with a particular brand, or if s/he has obtained some information about the brand from a reliable source that offers enough incentive for her/him to get them, s/he will buy a product of the brand again rather than venture to investigate and buy the same product of other brands that s/he has no particular experience or information about. This function of trademarks entails a self-enforcing function: The producers endeavour to maintain a consistent quality of their products so as to attract new and retain old customers. The search cost efficiency is attained through legal protection granted to a trademark holder that prohibits others from using the mark.<sup>39</sup> There are various ways to reduce the costs. While efficiency can be attained through measures that are in the public domain (e.g. information about a product contained in descriptive language of a trademark), it can also be attained by distinctive methods employed by the trademark holder (e.g. by giving a fanciful or arbitrary name to the product or service), which may be given legal protection if the necessary conditions are met.

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<sup>37</sup> William M. Landes and Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L.&Econ.265 (1987)

<sup>38</sup> This function of trademarks may sound similar to the informative function discussed in the preceding section, but is different in that it involves both the signalling function and the informative function and pays attention to the search cost.

<sup>39</sup> Landes and Posner, *supra* note 37 at 270.

Landes and Posner also propose an economic approach to the language in trademarks. The key ideas are that language in trademarks works in such a way as to “minimize the sum of the costs of avoiding misunderstanding and the costs of communicating,”<sup>40</sup> and that “[t]he more common a term is, the more the benefits of having a single word are likely to outweigh the costs”.<sup>41</sup> The former idea is the basis of the latter claim. These generalizations then suggest that, the more distinctive a trademark is, the lower the consumer search costs will be and that the simpler the linguistic expression of a trademark is, the less the costs (i.e., labour) to learn and remember the mark will be. In other words, a simple, distinctive mark is more beneficial, since it minimizes the search costs and learning costs, and it is even more so if the linguistic expression used in the mark is in common use, given that it retains its distinctiveness.<sup>42</sup> For example, *Xerox* and *Kleenex* denote the entire products with a particular set of features, as well as particular brands. In each case, one simple word communicates multidimensional information (e.g., the kind, the source, the quality of the product, etc.), which is highly economical. Thus, a trademark consisting of longer, communication efficiency is more difficult to achieve via complex words than a single, simple word. It should be noted, however, that, as Landes and Posner claim, efficiency of language is achieved by the rules and system of language developed independently from the law, i.e., “attained without a system of property rights in words, grammatical forms, and so on,”<sup>43</sup> unlike the search costs. In other words, since such efficiency of trademark language is attained by the use of language which is in the public domain, it is ineligible for legal protection.<sup>44</sup>

However, if the function is attained through a highly original means which is new to the language system, such invention and efforts are considered to be fruits of labour. Then, if the efficiency of language is attained by a distinctive, unique means such as the spelling and punctuation used for

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<sup>40</sup> Ibid. at 271.

<sup>41</sup> Ibid. at 271; Landes and Posner’s claim is partly based on observations made independently by other researchers, which suggests that the longer a word is, the less frequently it is used, while the shorter the word is, the more frequently it is used, unless ambiguity and confusion follow.

*Human Behavior and the Principle of Least Effort*. Cambridge, MA: Addison-Wesley Press (1949) at 24. (For a statistic analysis of the claim.)

Jean Aitchison, *Language Change: Progress or Decay*. New York: Cambridge University Press (2001) at 201, 226. (For more general tendency of the language use.)

<sup>42</sup> As Professor Albert Ting, a law professor at Ritsumeikan University, pointed out to me, it is interesting to note that economy of language stands in a contradictory relationship to the informative function discussed above: The informative function entails, generally speaking, that the longer the linguistic expression of a mark is, the more linguistic clues should be in a mark (e.g. *I Can’t Believe It’s Not Butter*) and accordingly the more informative the mark should be (e.g. features of the product or service). On the other hand, from a point of view of economy of language, the shorter the linguistics expression is, the more economical it will be.

<sup>43</sup> Landes and Posner, *supra* note 37 at 272-3.

<sup>44</sup> Ibid. at 273.

*Toys"Я"us* for *Toys"R"us*, some coinage such as *Kodak*, etc., which results from the traders' efforts, it may be protected against unauthorized reproduction or modification that does not meet the necessary conditions.

#### **4. Functions of Foreign Language in Trademarks**

The functions of trademarks discussed in the preceding sections will demarcate the properties foreign language trademarks that differentiate them from common language trademarks. In this section, trademarks involving foreign terms will be scrutinized in terms of the functions of (language in) trademarks.

The signalling function is hardly available for new or unfamiliar marks, generally speaking. This is because the indication of a source of the wares and services or of the goodwill or reputation of the trader depends almost entirely on consumers' pre-existing knowledge about the association between the mark and the trader or product. In other words, this function will be available to a mark, if the mark is associated with an existing mark, including itself, that consumers have some experience or knowledge of. Of course, language plays a part in it, since the major constituent of typical trademarks is language. The same is also true of most foreign words in trademarks. The former notwithstanding, if a foreign language mark is a translation of a common language mark, and the meaning of the foreign words is fairly clear to the standard consumers, the source indicating function may come into operation, whether or not it is a new mark.

An illustrative example of this generalization is found in Japan: An application for trademark registration by a variety store with a tearoom was rejected by the Japan Patent Office because the applicant's mark *Afternoon Tea* was found to be confusingly similar to a product of a large beverage company whose mark consisted of a common language translation of "afternoon tea"—*gogo no koocha*; *gogo* 'afternoon', *no* [genitive marker], *koocha* 'tea'.<sup>45,46</sup> If the meaning of the foreign terms was not clear to average people in Japan, no confusion with the common language mark whose meaning is equivalent to the foreign language mark should have resulted. The signalling function of foreign language marks contains this risk, when the meaning of the foreign terms is clear to the public. Common language trademarks are not subject to the risk. Therefore, this is a characteristic unique to trademarks with foreign terms.

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<sup>45</sup> The Japan Patent Office refused the registration of the applicant's mark on Oct. 15, 2002.

<sup>46</sup> This decision conforms to the foreign-equivalent doctrine, although it is not explicitly mentioned in the court's opinion. The decision was reversed on appeal, since the appeal court recognized the difference in wares and services associated with the disputed marks: *Sazaby K.K., v. Japan Patent Office, Supreme Court 's Homepage* [<http://www.courts.go.jp/>](Tokyo High Ct., Heisei 14 (gyō-ke) No. 596, June 4, 2003).

The signalling function has to do with genericness of words. A generic word is not registrable as a trademark, generally speaking. There is a general linguistic rule applying across languages which suggests that, when there is no generic word available in common language that describes the entire products or services, a trademark becomes a generic term, as in the case of *Xerox*. Similarly, a trademark or a generic term in a foreign language sometimes becomes a generic term in the common language.<sup>47</sup> For example, a German word *Bundt*, which was originally a trademark, has come to refer to a kind of cake in the US.<sup>48</sup> In Japan, an Italian generic word *ENOTEKA* ‘restaurant’ that is rather unfamiliar to the Japanese was found by the court to be a generic word that refers to an Italian restaurant.<sup>49</sup> In fact, the Japanese courts tend to hold that trademarks consisting solely of generic terms in foreign languages are not registrable.<sup>50</sup> Although some words were not familiar to the public at large, the courts used a common rationale that the word in question is well-known to workers or specialists in the field. In any case, when a given foreign word is not familiar to the public, whether it is a trademark or a generic word in the foreign language, the word may become a generic word in the common language. If the foreign term becomes generic, it renders the mark unregistrable, particularly when the common language lacks a term that refers to the wares or services denoted by the foreign word. This is also a characteristic of foreign language trademarks.

The informative function of the language of trademarks is one of the properties that differentiate foreign and common language trademarks to a great degree. This function is most effective when the meaning conveyed by the mark is very clear to consumers. This generalization in turn implies that, if the meaning of foreign terms used in a trademark is not known to or easily understandable for standard consumers, this function is not available. It is obvious that some level of fluency or knowledge about a foreign language is required to understand the meaning of foreign language expressions, unless the

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<sup>47</sup> Cross, *supra* note 36 at 130. Cross discusses the case of *Bundt* as an example.

<sup>48</sup> *In re Northland Products, Inc.*, 777 F.2d 1556 (1985)

<sup>49</sup> *Enoteka KK v. Granada K.K. Supreme Court 's Homepage* [<http://www.courts.go.jp/>](Tokyo High Ct., Heisei 15 (ne) No.4925, March 18, 2004); See also, *SAC KK v. Indonesian Imports Inc.* (Tokyo High Ct. Heisei14 (gyō-ke) No. 434, Dec. 26, 2002) In the latter case, the use of a French generic word *sac* that denotes bags was disputed and found unregistrable as a trademark.

<sup>50</sup> I looked at over 200 cases decided for the last 10 years where trademarks involving foreign words were examined by the Japanese courts. In no case were foreign generic terms found registrable. However, this partiality may result from the fact that I only looked at the marks “disputed” in the courts. There may be marks which involve foreign generic terms but are properly registered and not disputed in the courts. Shudo (Shudo, *supra* note 5) discusses the issue with a US case on the use of a Japanese term *KYOHO* (which refers to a type of grapes in Japanese) for grapes. I will keep an eye on such examples for elaboration of the argument in my future research. In Canada, Trade-Marks Act has a provision for such use (R.S., 1985, c. T-13, s. 12(1)(c)):

[a trade-mark is registrable if it is not] the name in any language of any of the wares or services in connection with which it is used or proposed to be used



expression is part of the vocabulary of the common language. (e.g. borrowings such as *cake*, *pen*, *okay*, etc. in Japanese) Needless to say, common language marks rarely face this difficulty. Thus, the informative function of foreign language trademarks pertains deeply to familiarity with or fluency in the foreign language, which differentiates them from common language trademarks.

The expressive function of language in trademarks also characterizes foreign language trademarks. SHARP, a huge Japanese electronics company, produced an extremely thin, stylish laptop computer and named it *MURAMASA*. *Muramasa* was originally the name of a famous medieval swordsmith. The mark of the computer is written all in alphabet letters instead of original Chinese characters. By using alphabet letters instead of Chinese characters, the mark was made to look more stylish. In other words, some positive value or appeal was added to the trademarks by changing the Japanese spelling of the mark into alphabetic letters. Furthermore, alphabetization of such an old, traditional Japanese word is not common. It may be considered to be intellectual labour.

It is interesting from a linguistic point of view that the expressive function of language in trademark is more frequently observed in the use of a foreign language or foreign alphabet than in the use of common language.<sup>51</sup> For example, a name of a French food restaurant in an English speaking country would sound more authentic if written in French than in English. In Japan, generally speaking, using a foreign language, especially western languages, on names tends to be perceived as somewhat prestigious or stylish. The same is true of western alphabet letters. As Dreyfuss's definition cited above describes, the expressive function refers to the trademark's function as an indicator of "the status, preferences, and aspirations of those who use them."<sup>52</sup> This property is clearly shared by the expressive function of language as well. Accordingly, the good reaction to the use of a foreign language or alphabet letters in trademarks can well be considered to be the expressive function of language.

Another illustrative example of the expressive function of language is *BRIDGESTONE*, a tire company. It was named after the last name of its founder Shojiro Ishibashi. Ishibashi is a common Japanese name. *Ishi* means a "stone," and *bashi*(/hashi), a "bridge." By translating his name into English (and reversing the word order), the company succeeded in making the name sound more stylish and distinctive in Japan. In other words, the trademark *BRIDGESTONE* exploits the expressive function of language that a foreign language inherently has. Thus, the expressive function of language of trademarks is also observed in the foreign language trademark that is translated from the common language equivalent. In Japan, the function relies on the prestigious status that English carries. Such a favourable reaction to western languages probably stems from Japan's obsession with Western culture since the mid 19th century.

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<sup>51</sup> Some statistic or empirical evidence needs to be provided for this observation. It waits to be done and left for my future research.

<sup>52</sup> Dreyfuss. *supra* note 24.

Finally, economy of language is a working principle in foreign language trademarks and characterizes them nicely as well. Foreign languages and the common language are antagonistic with respect to the sum of costs. Using foreign terms results in high costs, since they are generally harder to understand or remember than common language terms. The earlier argument has suggested that the more common a term is, the more beneficial it will be as a trademark, as long as it does not lose its distinctiveness. Then, if the foreign term used for a trademark is not in common use in the common language, the sum of the costs is high. Foreign terms are, generally speaking, less likely to be in common use than similar or equivalent terms of the common language, unless there is no appropriate term that describes that referent in the common language vocabulary.<sup>53</sup> Furthermore, the meaning of a foreign language is usually not as clear as one in the common language. Thus, a trademark consisting of foreign vocabulary typically requires more costs for communication than that of the common language. This is another characteristic of foreign language trademarks.

Their high costs do not always deter entrepreneurs from using foreign vocabulary for the trademarks. There are cases where the benefits resulting from the use of a foreign language in trademarks outweigh the costs. Some such benefits, I claim, come from the expressive function of language. As argued above, the expressive function of language adds some extra value to the mark, e.g., it makes the mark look or sound more stylish. Furthermore, according to the argument in the preceding section, such a use results in an increase of distinctiveness, whereby it increases the signalling function as well. Consequently, despite the costs of the use of the foreign language, these potential benefits support the use of a foreign language for trademarks. Of course, the costs of using a foreign language in trademarks can be lower than those of using the common language in trademarks in some cases, e.g., when the foreign words happen to be, or their translation is found by the courts to be confusingly similar to,<sup>54</sup> generic words in the common language.

## **5. Conclusion**

In this paper, we have reviewed the functions of trademarks recognized in the literature, extracted the roles that language plays in them, and identified two functions which are deeply related to

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<sup>53</sup> However, there is also a general linguistic rule such that, if a foreign term is more appropriate to refer to the features of a referent than terms available in the vocabulary of the common language, the foreign term comes to be in common use. An illustrative example is borrowings from a foreign language that describe the ideas, concepts, goods, etc., imported from a foreign country or culture (e.g. a Dutch word *cookie* for a small baked cake in English). In such a case, there is no equivalent in the vocabulary of the common language of the country, and therefore the foreign language is incorporated into the vocabulary of the common language.

<sup>54</sup> Cf. the doctrine of foreign equivalents; McCarthy, *supra* note 6, §23:14.

the inherent functions of language, i.e., the expressive function of language and the informative function. Also, the eligibility of these functions for legal protection has been discussed in terms of the conditions proposed in terms of the public domain theory and the labour theory. In addition, the characteristics and peculiarities of trademarks that involve foreign language have been scrutinized in terms of those functions: their signalling functions differ depending on their familiarity to ordinary people; they often lack the informative function; they often exhibit a different kind of expressive function from the one that common language marks have; the use of foreign terms may result in higher costs.

Although the discussion laid out here highlighted, *inter alia*, the linguistic functions of trademarks, more investigation and discovery regarding the linguistic aspects of trademarks will be necessary. For example, trademarks are largely about word-formation. Therefore, morphology, a field of linguistics which explores the structure of words, will be of help to analyze the linguistic properties of trademarks. Also, whether a mark is distinctive or not is essentially a matter of cognition. A cognitive approach to language is also a growing field in linguistics. Such an approach should also provide useful insights into language of trademarks. The research of those aspects will be left open here for future research.