

## **Successful Settlement relating to BAO BAO ISSEY MIYAKE Dispute**

With respect to the Case of Petition for an Order of Provisional Disposition (2020 (yo) No. 22065 (the “Case”) whereby we filed a petition with the Tokyo District Court against K.K. Barcos (“Barcos”) for violation of the Unfair Competition Prevention Act (“UCPA”), a court settlement has been reached between we and Barcos ending the dispute, and we hereby notify you as follows.

### **1. Summary of the Case**

We filed with the Tokyo District Court on June 13, 2019 against Barcos as the respondent seeking an injunction against the manufacture, sale, import and export etc. of the Aries-Neo, Sargas-Neo, and Alcor-Neo series bags of Barcos’s brand Hanaa-fu because of violation of UCPA etc. (subsequently, the Aries-Peacock series were added; collectively, “Accused Products”).

We began selling BAO BAO ISSEY MIYAKE bags in 2000 as a PLEATS PLEASE ISSEY MIYAKE product (at the time, the product name was “Bilbao”). Then, encouraged by support from our customers, we launched an independent “BAO BAO ISSEY MIYAKE” brand in 2010. The creative design of the bags, where when items are placed in the bag the seams of tile-like pieces bend and the exterior form changes geometrically and three-dimensionally, has received high praise both in Japan and abroad.

We believed that Accused Products have the above feature and thus Accused Products resemble the design of BAO BAO ISSEY MIYAKE bags, and started discussions with Barcos in February 2019. However, because there were no prospects for a resolution through discussions, we had no choice but to file the Case.

### **2. Summary of Settlement**

At a hearing for the Case, the Tokyo District Court Civil Division No. 40 (Presiding Judge Tatsufumi Sato) ruled in favor of our assertions, finding that of the four Accused Products, the sale etc. of the following three products violates UCPA (Article 2, Paragraph 1, Item (i)). Subsequently, seeking a quick resolution of the Case, premised on the above court ruling, we and Barcos continued settlement discussions, leading to a court settlement whereby Barcos agreed to discontinue the manufacture, sale, import and export of the following

three products and products with the same form etc., and the Case was resolved.



In such a way, as in the litigation with K.K. Largu which was explained in the Company’s June 18, 2019 notice entitled “Favorable Judgment relating to BAO BAO ISSEY MIYAKE,” a court again generally found in favor of the our assertions in this Case. We regard the settlement of the Case is also a significant outcome in that it confirmed the scope of the act of unfair competition of free riding a well-known design.

Under the court settlement, both we and Barcos are subject to a duty of confidentiality with respect to the particulars of the settlement of the Case, but both companies agreed in the settlement that the above content is not subject to such duty.

### **3. Our Approach to Design and Product Creation**

We begin all of our projects from innovative product creations that combine traditional materials and techniques with the latest technologies, and are always seeking to create products that give our customers new surprises. Furthermore, we treasure ISSEY MIYAKE’s distinctive designs, which are the realizations of our creative ideas.

It is undeniable that fair competition plays an essential role in the birth and creation of outstanding new designs. However, designs which cross the line by appropriating multiple features of our products (i.e., designs which go beyond what can be considered permissible inspiration), and which are liable to confuse and mislead our customers into believing “this is an Issey Miyake product”, are a threat to the social credibility of our brand; we cannot overlook such conduct.

Going forward, we will take every action necessary to protect the distinctive designs we

have created.

- Accused Products (Aries-Neo etc.)

Product No.: TS3196、TS3202、TS3208、TS3235、TS3257、TS3259、  
TS3262、TS3264、TS3282、TS3286、KO525B

- Accused Products (Sargas-Neo etc.)

Product No.: TS3267、TS3277、TS3306

- Accused Products (Aries-Peacock etc.)

Product No.: TS3270、TS3291、TS3292、TS3298、TS3299

End

Contact:

Issey Miyake Inc.

Legal Department

1-12-10 Tomigaya, Shibuya-ku, Tokyo

e-mail: [legal@imi.isseymiyake.com](mailto:legal@imi.isseymiyake.com)