

DAIMLERCHRYSLER AG,
Opposer,

IPC No. 14-2006-00140
Opposition to:

-versus-

Application No. 4-2005-002367
Filed on: 11 March 2005

ZENGCHENGSHI BENMA
ENTERPRISES CO., LTD.,
Respondent-Applicant.

Trademark: "STAR INSIDE
TRIANGLE DEVICE"
Decision No. 2007-26

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DECISION

For resolution is the Notice of Opposition filed by DaimlerChrysler AG (the "Opposer") against Application No. 4-2005-002367 for the registration of the mark filed by Zengchengshi Benma Enterprises Co., Ltd. (the "Respondent-Applicant") on 11 March 2005 for the registration of the mark "STAR INSIDE A TRIANGLE" covering goods under Class 12, upon the ground that the mark "STAR INSIDE A TRIANGLE DEVICE" is identical with and/or confusingly similar to its trademarks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING" and the variations thereof.

Opposer, DAIMLERCHRYSLER AG, is a corporation organized and existing under the laws of Germany, with principal address at Epplestrasse 225, 70567 Stuttgart, Germany

On the other hand, Respondent-Applicant, ZENGCHENGSHI BENMA ENTERPRISES CO., LTD., is a corporation organized and existing under the laws of The People's Republic of China with stated address of record at Ganyong Road, New Ganwan Industrial Park, Xintang Town, Zengcheng, Guangdong, People's Republic of China.

On October 09, 2006, Opposer filed the instant Opposition against Respondent-Applicant's Application for registration of the trademark "STAR INSIDE A TRIANGLE DEVICE" for goods under Class 12, specifically: "mopeds; motorcycles; side cars; rearview mirrors; vehicle for locomotion for land, air, water or rail; vehicle bumpers".

The grounds for opposition are as follows:

- (1) "The registration of the mark "STAR INSIDE A TRIANGLE DEVICE" in the name of the Respondent-Applicant will violate and contravene the provisions of Sections 123.1 (d), (e), (f) and (g) of Republic Act 8293 (the "IP Code"), as amended, because said mark is confusingly similar to Opposer's internationally well-known trademarks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants, owned, used and not abandoned by the Opposer as to be likely, when applied to or used in connection with the goods of the Respondent-Applicant, to cause confusion or mistake, or deceive the purchasers thereof as to the origin of the goods.
- (2) "Opposer is the owner of the internationally well-known trademarks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants registered in the Philippines with the Intellectual Property Office (IPO) as early as 1959. As such registered marks, these are entitled to the protection in the Philippines against unauthorized use or expropriation of said marks by third parties.
- (3) "Opposer is the prior adopter, user and owner of the marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants in the Philippines and elsewhere in the world. The history of Opposer's trademarks date as far aback as 1909 when the "THREE-

POINTED STAR” was first registered in Germany by Opposer’s predecessor Daimler Motoren-Gesellschaft (DMG). The “THREE-POINTED STAR” began to appear at the front of Mercedes cars as a design feature on the radiator in 1910.

- (4) “Respondent-Applicant’s application to register the “STAR INSIDE A TRIANGLE DEVICE” mark is an infringement of Opposer’s well-known marks “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” and their variants, as the use on the goods described in its application clearly violates the exclusive right of the Opposer to said marks. The registration of Respondent-Applicant’s mark will irreparably injure or damage the interest, business reputation and goodwill of Opposer’s well-known marks, and will surely dilute the distinctiveness of Opposer’s marks, thereby reducing their economic value.”

The Opposer relied on the following facts to support its Opposition:

- (1) “Opposer is the owner of the internationally well-known trademarks “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” registered in the Philippines with the Intellectual Property Office (IPO), as early as 1959.
- (2) “Opposer has obtained and continues to obtain registrations for the trademarks “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” and their variants from the intellectual property offices around the world.
- (3) “The history of Opposer’s trademarks date as far back as 1909 when the “THREE POINTED STAR” was first registered in Germany by Opposer’s predecessor Daimler Motoren-Gesellschaft (DMG). The “THREE POINTED STAR” symbolizes Gottlieb Daimler’s ambition of universal motorization: “on land, on water and in the air.” In 1910, the “THREE POINTED STAR” began to appear at the front of Mercedes cars as a design feature on the radiator. In November 1921, DMG applied for legal protection for any new variations of their trademark and lodged with the patent office a three-dimensional, three-pointed star enclosed in a circle (“THREE POINTED STAR IN RING”), which included the design intended for use on the radiator grille. It became a registered trademark in August 1923.
- (4) “Opposer’s “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” have acquired immense and valuable goodwill as a result of enormous sums of money spent in advertising and promotions worldwide, including the Philippines. Opposer also maintains the websites <http://www.daimlerchrysler.com> where information about its history, range of products, and distribution of Opposer’s “THREE-POINTED STAR IN LAUREL WREATH” can be easily accessed by consumers all over the world.
- (5) “Opposer’s internationally well-known marks “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” have long become distinctive of the business and/or goods of the Opposer, through Opposer’s long and exclusive thereof in international commerce.
- (6) “Opposer’s trademark “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” and their variants are well-known marks worldwide such that Courts around the world recognize that the unauthorized use thereof even for unrelated goods is likely to lead to confusion as to source.

Despite Respondent-Applicant’s receipt on November 10, 2006 of the Notice to Answer issued by this Bureau, whereby it was given thirty (30) days within which to file its Verified

Answer, it failed to do so. Upon Motion by the Opposer filed on December 19, 2006, this Bureau issued Order No. 2007-56 on January 09, 2007, declaring Respondent-Applicant to have waived its right to file its Verified Answer and allowing the Opposer to file its Position Paper. Opposer filed its Position Paper on January 26, 2007. The case was thereafter deemed submitted for decision.

The issues to be resolved in this case are:

- (a) Whether or not Respondent-Applicant's mark "STAR INSIDE A TRIANGLE DEVICE" is confusingly similar to Opposer's marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants; and
- (b) Whether or not Respondent-Applicant's trademark application for "STAR INSIDE A TRIANGLE DEVICE" should be granted registration.


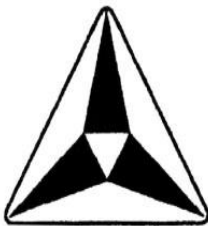
As to the FIRST issue, the Bureau finds confusing similarity between Respondent-Applicant's "STAR INSIDE A TRIANGLE DEVICE" mark and Opposer's marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING".

In *Societe Des Produits Nestle, S.A. v. Court of Appeals*, G.R. No. 112012, April 4, 2001, the Supreme Court held that:

"In ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set of rules can be deduced. Each case must be decided on its own merits. In *Esso Standard, Inc. v. Court of Appeals*, the Supreme Court ruled that the likelihood of confusion is a relative concept; to be determined only according to the particular and sometimes peculiar circumstances of each case."

Likewise, in a long line of cases, the Supreme Court has consistently held that infringement of a trademark is to be determined by the TEST OF DOMINANCY. Similarity in size, forms, and colors, while relevant, is not conclusive. If the competing trademarks contain the main essential or dominant features of another, and confusion or deception is likely to result, infringement takes place. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate. (*Co Tiong Sa vs. Director of Patents*, G.R. No. L-5372, May 24, 1954.)

Below is a side-by-side comparison between one of Opposer's registered marks "THREE-SIDED STAR IN RING", and Respondent-Applicant's "STAR INSIDE A TRIANGLE DEVICE":

Opposer's "THREE-SIDED STAR IN RING"	Respondent-Applicant's "STAR IN A TRIANGLE DEVICE"
	

Upon visual comparison, there is no doubt that the dominant feature in the marks of both the Opposer ("THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants) and the Respondent-Applicant ("STAR INSIDE A TRIANGLE DEVICE") is the THREE-SIDED STAR. The only difference

between the competing marks is that the three-sided star in Respondent-Applicant's mark is enclosed in a triangle, while the three-sided star in Opposer's marks is enclosed in a circle. However, such difference is only minor or insignificant in its overall appearance and will not avoid the inescapable conclusion that consumers may be mistaken or deceived when both marks are used simultaneously on related goods as it was in this case, especially since the triangle shape as used by the Respondent-Applicant in its mark is merely a variance to the circle shape used by the Opposer in its mark "THREE-SIDED STAR IN RING". Besides, it was held in McDonalds Corporation and McGeorge Food Industries, Inc., vs. L.C. Big Mak Burger, Inc., et.al, GR No. 143993, August 18, 2004 (citing V. Amador, Trademarks test, courts give greater weight to the similarity of the appearance of the product arising from the adoption of the dominant features of the registered mark, disregarding minor differences.

What is worthy to note that in the THREE-SIDED/POINTED STAR logo or device used by Opposer, the breadth or dimension of the pointed sides of the star is either in thin or thick sides. The THREE-SIDED STAR mark in (B), as shown below, is all the more confusingly similar to Applicant's STAR inside a triangle device.

(A)

(B)

Opposer's
3-POINTED STAR IN A RING
Registration No. 2422

Opposer's
3-POINTED SAT
Registration No. 2423

In connection with the use of a confusingly similar or identical mark, Section 123.1 (d) of the Intellectual Property Code provides:

"123.1. A mark cannot be registered if it:

xxx

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing priority date, in respect of:

- (i) The same goods or services, or*
- (j) Closely related goods or services, or*
- (k) If it nearly resembles such a mark as to be likely to deceive or cause confusion"*

Based on the foregoing provision, the vital point for consideration is the close relation of the products of the Opposer and Respondent-Applicant. In the case of Esso Standard Easter, Inc. v. The Honorable Court of Appeals and United Cigarette Corporation, G.R. No. L-29971, August 31, 1982, the Supreme Court had occasioned to define 'related goods':

"Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality."

The goods covered by Respondent-Applicant's application fall under Class 12. Likewise, some of the goods/services covered by the Opposer's registered trademarks also fall under

Class 12. Aside from being under the same classification, the products of both parties all commodities relating to motor vehicles and vehicle parts and accessories. As such, it is safe to assume that Opposer's and Respondent-Applicant's marks flow through the same channel of trade. Hence, they are considered as related goods.

As to the SECOND issue, the Bureau rules in the negative. Respondent-Applicant cannot be granted registration.

Firstly, from the evidence on record, Opposer is the registered owner in the Philippines of the following marks:

Trademark	Certificate of Registration No	Date Issued	Class(es)
Three-Pointed Star in Ring	R-2432	August 6, 1959	12
Three-Pointed Star in Laurel Wreath with words Mercedes-Benz	R-2421	October 1, 1959	12
Three-Pointed Star in Ring	R-2422	October 15, 1959	7
Three-Pointed Star	R-2423	October 15, 1959	12
Three-Pointed Star in Ring	R-2431	January 7, 1960	12
Three-Pointed Star in Laurel Wreath with the words Mercedes-Benz	R-2429	January 7, 1960	12
Three-Pointed Star in Ring	R-2424	October 9, 1979	7
Three-Pointed Star in	R-2427	October 16, 1981	12
Three-Pointed Star in Ring	4-1981-036795	February 24, 1987	37
Three-Pointed Star in Ring (Plastic)	4-2004-007907	November 10, 2005	09, 14, 16, 18, 24, 25, 28, 34

Opposer's marks, "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH WITH WORDS MERCEDES-BENZ", "THREE-POINTED STAR IN RING", AND "THREE-POINTED STAR", were registered with the Intellectual Property Office as early as 1959, specifically for goods under Classes 12 (Certificates of Registration Nos. R-2432, No., R-2423 and No. R-2421) and 7 (Certificate of Registration No. R-2422).

Opposer's trademarks have been registered in its country of origin, Germany, by Opposer's predecessor Daimler Motoren-Gesellschaft (DMG), way back in 1909. Opposer has also registered or applied for the registration of its mark for various goods, including those in Class 12 in more than one thousand three hundred forty six (1,346) countries worldwide.

Secondly, Opposer's products, bearing its marks, are promoted, advertised and sold through Opposer's websites, <http://www.daimlerchrysler.com> and <http://www.mercedes-benz.com>, among other channels of trade. Aside from its promotional works, Opposer has made its products' presence known in the Philippines through the establishment of showrooms and service centers, the local distribution of its publication, and the sponsorship of much-publicized events every year.

The right to register trademarks, trade names and service marks is based on ownership. Only the owner of the mark may apply for its registration (Bert R. Bagano v. Director of Patents, et.al., G.R. No. L-20170, August 10, 1965). And where a trademark application is opposed, the Respondent-Applicant has the burden of proving ownership (Marvex Commercial Co., Inc. v. Peter Hawpia and Co., 18 SCRA 1178).

In the case at bar, Respondent-Applicant failed to present any evidence to prove entitlement over the mark "STAR INSIDE A TRIANGLE DEVICE", despite having been given the opportunity to do so.

On the other hand, Opposer has established prior use of its marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants in commerce and its continuous adoption and use thereof consisting of sale and promotional works. Moreover, as earlier mentioned, Opposer has presented evidence that its marks were registered with the Intellectual Property Office as early as August 6, 1959. Being the prior user and registrant of the aforementioned marks in the Philippines, Opposer is the actual owner thereof.

The Court has ruled that when one applied for the registration of a trademark or label which is almost the same or very closely resembles one already registered by another, the application should be rejected and dismissed outright, even without opposition on the part of the owner and use of a previously registered label or trademark, this is not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill. (Chuan Chow Soy & Canning Co., v. Director of Patents and Villapanta, 108 Phil. 833, 836)

Respondent-Applicant's use of the confusingly similar mark for goods under Class 12, is likely to cause confusion, mistake or deception as to the source or origin of the goods, and to mislead the public that its goods are affiliated with or sponsored by the Opposer.

As the rightful owner and prior user of the marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants, Opposer should be given protection against entities that merely wish to take advantage of the goodwill its marks have generated.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, Application bearing Serial No. 4-2005-002367 filed by ZENGCHENGSHI BENMA ENTERPRISES CO., LTD. on March 11, 2005 for the registration of the mark "STAR INSIE A TRIANGLE DEVICE" used on goods under Class 12 is, as it is hereby, REJECTED.

Let the filewrapper of "STAR INSIE A TRIANGLE DEVICE", subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

05 March 2007, Makati City.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office