

KOLIN ELECTRONICS CO. INC.  
Opposer,  
- versus -

IPC 14-2004-00105

Opposition to:  
TM Application No. 4-2002-011001  
(Filing Date: 27 December 2002)

TAIWAN KOLIN CO. LTD.  
Respondent-Applicant.  
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TM: "KOLIN"

Decision No. 2007-26

## DECISION

This pertains to the VERIFIED NOTICE OF OPPOSITION to the application for registration of the trademark "KOLIN" for aircons, refrigerators, electric fans, window type air-conditioners, package type air-conditioners, ceiling mounted air-conditioners, split type air-conditioners, dehumidifier, washing machines show case refrigerators, chest type freezers, upright freezers, beverages coolers, water chillers, household electric fans, industrial electric fans, rice cooker, stew cooker, microwave, ovens, gas stoves, gas range, dish dryer, oven toaster, dish washing machine, bottle sterilizer, electric air pot, water heater, grillers and roasters, coffee and tea makers, turbo boiler, juice maker and other similar electrical appliances covered by Class 11 under Application Serial No. 4-2002-011001 lodged by Kolin Electronics Co., Inc. and published for opposition in the Intellectual Property Office (IPO) Gazette, Volume VII, No. 3, Page 106 that was released for circulation on July 5, 2004.

Opposer is a domestic corporation organized and existing under the laws of the Republic of the Philippines with business address at 2788 Anacleto Extension, Tondo, Metro Manila.

The grounds for opposition are as follows:

1. Opposer believes that it would be damaged by the registration of the mark "KOLIN" in respondent-applicant's name;
2. The mark "KOLIN" was first use in Philippine commerce as early as February 17, 1989 by opposer's predecessor-in-interest Miguel Tan doing business under the name and style Kolin Electronics Industrial Supply for the manufacturing, distribution, and selling of electronic products such as automatic voltage regulators, converters, recharges, transformer, and amplifiers;
3. Opposer's predecessor-in-interest Miguel tan filed on August 17, 1993 with the then Bureau of Patents, Trademarks, and Technology Transfer (BPTTT) Trademark Application No. 87497 for the registration of the mark "KOLIN" used on automatic voltage regulator, converter, recharger, stereo, booster, AC-DC regulated power supply, step-down transformer and PA amplified AC-DC under Class 9;
4. Miguel Tan a proprietor of Kolin Electronics Industrial Supply executed on November 20, 1995 a Deed of Assignment of Assets, assigning all the assets of his business Kolin Electronics Industrial Supply including Trademark Application No. 87487 in favor of opposer, which Deed of Assignment was duly recorded by the BPTTT;
5. Opposer's Trademark Application No. 87497 was subsequently published for opposition in the BPTTT Official Gazette, Vol. X, No. 6 Page 50 (November-December 1997 issue) and released for circulation on June 23, 1998;

6. Respondent-applicant filed on July 22, 1998 with the Office of the Bureau of Legal Affairs (BLA) a Verified Notice of Opposition docketed as Inter Partes Case (IPC) No. 14-1998-00050 to oppose opposer's Trademark Application No. 87497 for the mark "KOLIN" claiming that there is confusing similarity between its mark and opposer's mark;
7. The Director of the BLA issued Decision No. 2002-46 dated December 27, 2002 which denied the Notice of Opposition for lack of merit, which Decision was affirmed by the Director General in a Decision dated November 6, 2003;
8. The Director General aptly ruled in Resolution No. 2004-07 dated July 1, 2004 that a Writ of Execution may be issued to enforce Decision No. 2002-46 considering that the length of time that has lapsed from the time opposer filed its Trademark Application No. 87497 which has been delayed by the fling of respondent-applicant's baseless opposition;
9. The Director denied respondent-applicant's Motion and Manifestation to file a counter-bond and ordered the implementation of a Writ of Execution in Order No. 2004-397 dated July 22, 2004;
10. Respondent-applicant filed Trademark Application No. 4-2002-011001 in bad faith for it s fully aware that opposer is the prior user of the mark "KOLIN" in the Philippines: Opposer's Trademark Application No. 87497 was filed on August 17, 1993 and published on June 23, 1998, which dates are much earlier than the December 27, 2002 filing date of respondent-applicant's Trademark Application No. 4-2002-011001;
11. By reason of the prior use in the Philippines of the mark "KOLIN" by opposer and the earlier filing date of opposer's Trademark Application No. 87497 for the mark "KOLIN", it is clear that opposer is entitled to the registration and exclusive use of the mark "KOLIN", for which reason opposer has the exclusive right to prevent third parties including respondent-applicant from using an identical or similar mark for goods or services that are similar or related to the goods wherein the mark "KOLIN" is used by opposer;
12. The mark "KOLIN" sough to be registered by respondent-applicant is identical with or confusingly similar to the mark "KOLIN" owned and being used by opposer;
13. The similarity of respondent-applicant's mark "KOLIN" to opposer's mark "KOLIN" is likely to deceive purchasers of goods on which it is to be used to an extent that said goods might be mistaken by the unwary public to be manufactured by opposer, and might mislead the public as to the nature, quality, characteristic, and origin of the goods on which it is affixed;
14. Under Section 123 (d) and (g), and 165.2 (A) of the IP Code, the government is bound to protect opposer's mark by rejecting the application for registration of a similar mark such as the mark "KOLIN" sough to be registered by respondent-applicant;
15. Respondent-applicant's application for the registration of the mark "KOLIN" is tantamount to fraud as the use of said mark on the goods described in the application clearly infringes upon opposer's rights;
16. The registration of the mark "KOLIN" in respondent-applicant's name will violate opposer's proprietary rights/interests, and business reputation and goodwill over the mark "KOLIN" considering that the distinctive of said mark and trade/corporate name will be diluted, thereby causing irreparable injury to opposer; and

17. The registration of the mark "KOLIN" in respondent-applicant's name is contrary to and will effectively render nugatory the BLA Director's Decision dated December 27, 2002 and the Director General's Decision dated November 6, 2003.

On August 30, 2004, opposer filed a MOTION FOR LEAVE TO FILE AND ADMIT ATTACHED SUPPLEMENTAL VERIFIED NOTICE OF OPPOSITION which was admitted and made part of the records per Order No. 2005-532. Opposer additionally and essentially alleged that registration of the same mark "KOLIN" in favor of respondent-applicant which is identical to the mark "KOLIN" owned by opposer shall violate Section 147 of the IP Code which provides that the owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion.

On September 24, 2004, respondent-applicant filed a CONSOLIDATED (JOINT) ANSWER wherein it admitted opposer's having been organized as a corporation under the laws of Taiwan; resp opposer's business/office address; and the service of pleadings, processes, and other papers to opposer through its counsel but specifically denied the rest of the allegation and put forth the following affirmative claims and defenses:

1. Opposer's personality and/or circumstances has/have come to respondent-applicant's knowledge and information only shortly before and in relation to the latter's filing of an Opposition on July 22, 1998 to opposer's Trademark Application No. 87497 for the registration of the mark "KOLIN" in the Principal Register of the then BPTTT which was published for opposition in the BPTTT Official Gazette Vol. X, No. 6, Page 50 (November – December 1997 issued) and released for circulation on June 23, 1998; and also during the proceedings of IPC No. 14-1998-00050;
2. The personality and/or circumstances of opposer has also come to respondent-applicant's knowledge and information after the latter has filed its Trademark Application Serial No. 106310 on February 29, 1996 for the registration of the mark "KOLIN" for Classes 9, 11, and 21;
3. Opposer's Trademark Application Serial No. 87497 which was opposed by respondent-applicant is an application for registration of the mark "KOLIN" for goods belonging to Class 9, not Class 11 the goods of which class the instant Trademark Application Serial No. 4-2002-011001 was filed;
4. Respondent-applicant opposed opposer's Trademark Application Serial No. 87497 for Class 9 goods in Inter Partes Case No. 14-1998-00050 as said application conflicted with respondent-applicant's mark "KOLIN" intended for its own Class 9 goods over which respondent-applicant filed Trademark Application Serial No. 106310 on February 29, 1996 for registration of the mark "KOLIN" for Classes 9, 11, and 21;
5. Respondent-applicant's instant Trademark Application No. 4-2002-011001 herein, on the other hand, is an application for the registration of the mark "KOLIN" for goods under Class 11, not Class 9 which class is the subject of opposer's Trademark Application Serial No. 87497;
6. Subsequently, respondent-application deleted or agreed to be deleted: 1) "blender" from the instant Trademark Application Serial No. 4-2002-011001 as the same falls under Class 7; and 2) "other electrical appliances" which was changed to "other similar electrical appliances belonging to Class 11 goods" such that Trademark Application Serial No. 4-2002-011001 is intended for the following goods, namely: window type air-conditioners, package type air-conditioner,

ceiling mounted air-conditioner, split type air-conditioners, dehumidifier, washing machines show case refrigerators, chest type freezers, upright freezers, beverage coolers, water chillers, household electric fans, industrial electric fans, rice cooker, stew cooker, microwave ovens, gas stoves, gas range, dish dryer, oven toaster, dish washing machine, bottle sterilizer, electric air pot, water heater, grillers and roasters, coffee and tea makers, turbo boiler, juicemaker, and other similar electrical appliances belonging to Class 11 goods, not Class 9 goods;

7. Respondent-applicant's instant Trademark Application No. 4-2002-011001 for the registration of the mark "KOLIN" for Class 11 goods filed on December 27, 2002 is a re-filed/revived application of its predecessor Trademark Application No. 4-1999-06890 filed on September 14, 1999 for the registration of the mark "KOLIN" for the same Class 11 goods, and which predecessor Trademark Application No. 4-1999-06890, in turn, became a separate application on account of BPTTT-IPO Order No. 2 which required respondent-applicant to elect one (1) class of goods for its original Trademark Application Serial No. 106310 filed on February 29, 1996 wherein the goods as covered thereby fall under three (3) classes, namely 9, 11, and 21;
8. That the foregoing facts, supported by annexes corresponding to Trademark Application Serial No. 106310; Petition to Revive Application; and Trademark Application Serial No. 4-199-06890, show that respondent-applicant's instant Trademark Application Serial No. 4-2002-011001 is neither made in bad faith nor fraudulent nor tantamount to fraud on respondent-applicant's part as to when and/or why it was filed;
9. Respondent-applicant's instant Trademark Application Serial No. 4-2002-011001 for the registration of the mark "KOLIN" for Class 11 goods filed on December 27, 2002 and its predecessor Trademark Application Serial No. 4-1999-06890 filed on September 14, 1999 from the original Trademark Application Serial No. 106310 filed on February 29, 1996 have all been filed and/or prosecuted prior to the receipt of Decision No. 2002-46 dated December 27, 2002 issued by the BLA in IPC No. 14-1998-00050, and for the purpose of avoiding abandonment of respondent-applicant's valid application for registration of the mark "KOLIN" for Class 11 goods;
10. Opposer or its predecessor-in-interest, if any, has neither filed any application of the registration of the mark "KOLIN" for Class 11 goods nor filed an application with an earlier filing date from respondent-applicant's instant Trademark Application No. 4-2002-011001 filed on December 27, 2002 including its predecessor trademark Application No. 4-1999-06890 filed on September 14, 1999 for Class 11 goods;
11. Opposer or its predecessor-in-interest, if any, has not used or affixed the mark "KOLIN" on any Class 11 goods prior to respondent-applicant's actual use since 1996 in the Philippines of the mark "KOLIN" for its goods belonging to Class 11 per its Declaration of Actual Use dated December 27, 2002;
12. Opposer or its predecessor-in-interest, if any, has neither ventured or embarked nationwide/in the Philippines or elsewhere to the best of the knowledge or information of respondent-applicant in the manufacture, distribution, and/or selling of Class 11 goods up to present;
13. Decision No. 2002-46 dated December 27, 2002 issued by the BLA, and Decision dated November 6, 2003 issued by the Director General in IPC No. 14-1998-00050 aptly pertain to opposer's registration of the mark "KOLIN" for Class 9 goods, and is not yet re judicata to respondent-applicant's registration for the

mark "KOLIN" in Class 11 which is the subject of respondent-applicant's instant Trademark Application No. 4-2002-011001;

14. The BLA Director's Decision No. 2002-46 and the Director General's Decision dated November 6, 2003 in IPC No. 14-1998-00050 are not final and executory as there is still a Petition for Review filed by respondent-applicant is the Court of Appeals;
15. The BLA Director's Resolution No. 2004-07 dated July 1, 2004 in IPC No. 14-1998-00050 granting a Writ of Execution in favor of opposer herein is, thus, a discretionary execution pending appeal of the aforesaid Decisions, and is conditioned upon the filing of a bond by opposer herein;
16. Assuming arguendo the issuance of Certificate of Registration No. 4-1993-087497 to opposer, such certificate of registration confers upon opposer the exclusive right to use its own symbol only to those goods specified in said certificate in said certificate, and is limited to the products covered by said certificate of registration per Section 138 of the IP Code and Rule 806, Part 8 of the IP Rules and Regulations for which reason Trademark Application No. 4-2002-011001 is not violative of whatever alleged proprietary rights/interests, business reputation, and goodwill of opposer over the mark "KOLIN";
17. Class 9 goods to which opposer's mark "KOLIN" subject of Trademark Application Serial No. 87497/Certificate of Registration No. 4-1993-087497 is or will be sued or affixed is not similar, not related or closely related, or does not have the same descriptive properties or possess the same physical attributes or essential characteristics with reference to form, composition, texture or quality, nor serve the same purpose, nor competing with Class 11 goods which is the subject of respondent-applicant's Trademark Application Serial No. 4-2002-011001;
18. Opposer's facsimile representation of the mark "KOLIN" for its stated Class 9 goods is not opposer's supposed facsimile representation for the mark "KOILN" then accompanying its Trademark Application Serial No. 87497 filed on August 17, 1993 showing an apparent bad faith or fraud on opposer's part in unduly abstracting or adopting respondent-applicant's representation of the mark "KOLIN" rather than opposer's own mark, and with opposer now banking on the guise of a purported prior Trademark Application Serial No. 87497/Certificate of Registration No. 4-1993-087497 to appropriate respondent-applicant's mark rather than opposer's mark of "KOLIN" for opposer's Class 9 goods;
19. Opposer's ground for opposition that the registration of the mark "KOLIN" in the Philippines for Class 9 goods dilutes/will dilute opposer's trade/corporate name is untenable since trademark is not synonymous with trade name, and even so, opposer's corporate/trade name Kolin Electronics Co., Inc. is evidently distinct from respondent-applicant's trade/corporate name, Taiwan Kolin Co., Ltd.;
20. Respondent-applicant's right/s to the mark "KOLIN" for its Class 11 goods is also registered and recognized both in China and in Taiwan, R.O.C. in favor of respondent-applicant since 1986 and existing up to the present; and
21. Respondent-applicant's Class 11 goods bearing the mark "KOLIN" are found, sold, and/or distributed from various outlets/dealers of Kolin Philippines International, Inc. in Luzon, Visayas, and Mindanao wherein latter corporation respondent-applicant is a stockholder to an extent of forty percent (40%) of its outstanding capital stock duly incorporated since July 24, 1995 primarily to engage in, operate, conduct, and maintain the business of manufacturing,

assembling, selling or otherwise dealing in wholesale such products as air-conditioning units, television sets, and other electronics equipment of similar nature of the mark "KOLIN" of respondent-applicant in the Philippines.

On October 14, 2004, opposer filed a REPLY specifically denying all the allegations in the CONSOLIDATED (JOINT) ANSWER, which are contrary to or are inconsistent with the allegations of opposer in its VERIFIED NOTICE OF OPPOSITION and SUPPLEMENTAL VERIFIED NOTICE OF OPPOSITION, and stating affirmative allegations, which are essentially alleged in its two (2) pleadings. On October 22, 2004, respondent-applicant filed a REJOINER re-pleading and adopting its averments in the CONSOLIDATED (JOINT) ANSWER.

Preliminary conference was held on February 16, 2006 where both parties were directed to file their respective position papers and, if desired, draft decisions within a non-extendible period of ten (10) days from receipt of the order directing them to do so. No position paper and/or draft decision were/was filed by either party within the reglementary period. Thus, this case is now submitted for decision.

This Bureau finds that the very first issue that must be resolved is whether the goods wherein the mark "KOLIN" is being used by respondent-applicant in the instant Trademark Serial Application No. 4-2002-011001 being applied for registration are similar or closely related to opposer's goods wherein Opposer uses likewise the mark "KOLIN".

Opposer's goods where the mark "KOLIN" is being used fall under Class 9, namely "automatic voltage regulator, converter, charger, recharger, stereo booster, AC-DC regulated power supply, step-down transformer, and PA amplified AC-DC" while respondent-applicant's goods where it uses likewise the same mark "KOLIN" and which is the subject of the instant Trademark Application Serial No. 4-2002-011001 is being applied to goods falling under Class 11. Opposer's goods are electrical gadgets that basically function as a conduit or channel of electricity from a power source to any electrical, mechanized, and/or digital appliance, machine or equipment that is more or less complex in structure and has a specific, albeit a more complicated, function. *Respondent-applicant's goods belong to the latter kind of goods.* These are finished products that perform diverse mechanized and/or digitized tasks such as controlling room temperature in case of electric fans and air-conditioners; storing, preserving, preparing, and cooking food in the case of refrigerators, freezers, chillers or coolers, ovens, gas stoves, cookers, toasters, roasters and grillers, bottle sterilizers, air pots, water heaters, broilers, juicemakers, and coffee and tea makers; cleaning and/or sterilizing in the case of bottle sterilizers; and cleaning clothes such as washing machines. Opposer's goods, meanwhile, basically have the same function of channelling, regulating, converting, and/or transforming electricity to enable appliances, machines, and/or mechanized/digitized equipments in general such as respondent-applicant's goods, to function in the first place.

Opposer's goods, thus, are not identical to those made by respondent-applicant. They are not even related though they are technological inventions of the modern age as their nature and functions are completely different. They do not have the same descriptive properties and cannot be considered, thus, as competing goods. There is no likelihood that the use of the same mark by both parties on their goods would result in purchasers assuming that the goods of one originated from the other.

The case of MIGHTY CORPORATION and LA CAMPANA FABRICA DE TABACO, INC., V. E. & J. GALLO WINERY and THE ANDRESONS GROUP, INC., G.R. No. 154342, July 14, 2004 enumerated cases previously decided by the Supreme Court wherein registration of similar marks were allowed for goods dissimilar or unrelated to the goods of the opposers in the respective cases cited. The Supreme Court held:

"(a) in *Acoje Mining Co., Inc. vs. Director of Patent*, we ordered the approval of Acoje Mining's application for registration of the trademark LOTUS for its soy sauce even

though Philippines Refining Company had prior registration and use of such identical mark for its edible oil which, like soy sauce, also belong to Class 47;

(b) in *Philippine Refining Co., Inc. vs. Ng Sam and Director of Patents*, we upheld the Patent Director's registration of the same trademark CAMIA for Ng Sam's ham under Class 47, despite Philippine Refining Company's prior trademark registration and actual use of such mark on its lard, butter, cooking oil (all of which belonged to Class 47), abrasive detergents, polishing materials and soaps;

(c) in *Hickok Manufacturing Co., vs. Court of Appeals and Santos Lim Bun Liong*, we dismissed Hickok's petition to cancel private respondent's HICKOK trademark registration for its Marikina shoes as against petitioner's earlier registration of the same trademark for handkerchiefs, briefs, belts and wallets;

(d) in *Shell Company of the Philippines vs. Court of Appeals*, in a minute resolution, we dismissed the petition for review for lack of merit and affirmed the Patent Office's registration of the trademark SHELL used in the cigarettes manufactured by respondent Fortune Tobacco Corporation, notwithstanding Shell Company's opposition as the prior registrant of the same trademark for its gasoline and other petroleum products;

(e) in *ESSO Standard Eastern, Inc. vs. Court of Appeals*, we dismissed ESSO's complaint for trademark infringement against United Cigarette Corporation and allowed the latter to use the trademark ESSO for its cigarettes, the same trademark used by ESSO for its petroleum products, and

(f) in *Canon Kabushiki Kaisha vs. Court of Appeals and NSR Rubber Corporation*, we affirmed the rulings of the Patent Office and the CA that NSR Rubber Corporation could use the trademark CANON for its sandals (Class 25) despite Canon Kabushiki Kaisha's prior registration and use of the same trademark for its paints, chemical products, toner and dyestuff (Class 2).

Therefore, considering that respondent-applicant's goods are non-competing and entirely unrelated to opposer's so that there is no likelihood of confusion or deception on the part of the purchasing public as to the origin or source of respondent-applicant's goods or as to the connection between these goods and those of opposer's goods, opposer's interest and goodwill are not likely to be damaged by respondent-applicant's use of the mark "KOLIN".

Lastly, Opposer averred that the filing of the subject application by Respondent-Applicant was done in bad faith considering that it is fully aware that Opposer is the prior user of the mark "KOLIN" and that its registration is contrary to and will effectively render nugatory the BLA Director's Decision dated December 27, 2002 and the Director General's Decision dated November 6, 2003. In its Answer, Respondent-Applicant posited that said Decision are not yet final and executory considering that there is still a Petition for Review docketed as CA-G.R. SP No. 80641 filed by Respondent-Applicant in the Court of Appeals.

It is worthy to note that the Fourth Division of the Court of Appeals already rendered a Decision on July 31, 2006 in the case mentioned by Respondent-Applicant. The Court of Appeals dismissed the original and supplemental petitions filed by Taiwan Kolin Co., Ltd. and affirmed the appealed decision of the IPO Director General in Appeal No. 14-03-24 (Inter Partes Case No. 14-1998-00050) dated November 6, 2003. It must be emphasized that the IPO Director General affirmed the decision of the Director of the Bureau of Legal Affairs in giving due course to the application for registration of the trademark "Kolin" bearing serial no. 87497 under Class 9 in favor Kolin Electronics Co., Inc.

Considering that the subject application in Inter Partes Case No. 14-1998-00050 was for Class 9 and considering further that no pronouncement was made as to whether or not Kolin Electronics "Kolin" is a well-known mark and as we have stated earlier Kolin Electronics Co. Ltd

failed to prove that its "Kolin" mark is well-known, other persons/entities, like Taiwan Kolin Co. Limited in the instant case are not precluded from using the same mark for goods under class 11 considering that the goods are neither similar nor related.

Respondent-applicant is entitled, in fine, to the registration of the mark "KOLIN" for Class 11 goods, namely, aircons, refrigerators, electric fans, window type air-conditioners, package type air-conditioners, ceiling mounted air-conditioners, split type air-conditioners, dehumidifier, washing machines show case refrigerators, chest type freezers, upright freezers, beverage coolers, water chillers, household electric fans, industrial electric fans, rice cooker, stew cooker, microwave ovens, gas stoves, gas range, dish dryer, oven toaster, dish washing machine, bottle sterilizer, electric air pot, water heater, grillers and roasters, coffee and tea makers, turbo boiler, juicemaker, and other similar electrical appliances.

WHEREFORE, the VERIFIED NOTICE OF OPPOSITION is, as it is, hereby DENIED. Consequently, Application Serial No. 4-2002-011001 for the registration of the mark "KOLIN" on goods under Class 11, namely, aircons, refrigerators, electric fans, window type air-conditioner, package type air-conditioners, ceiling mounted air-conditioners, split type air-conditioners, dehumidifier, washing machines show case refrigerators, chest type freezers, upright freezers, beverage coolers, water chillers, household electric fans, industrial electric fans, rice cooker, stew cooker, microwave ovens, gas stoves, gas range, dish dryer, oven toaster, dish washing machine, bottle sterilizer, electric air pot, water heater, grillers and roasters, coffee and tea makers, turbo boiler, juice maker, and other similar electrical appliances filed on December 27, 2002 by Taiwan Kolin Co., Ltd. is, as it is hereby, GIVEN DUE COURSE.

Let the filewrapper of "KOLIN" subject matter of this case together with this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 28 February 2007.

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