

HENG DONG T. LIM,
Opposer,
- versus -

IPC 14-2006-00154

Opposition to:
Serial No. 4-2003-006164
(Filing Date: 11 July 2003)

CATHERINE SALES DY,
Respondent-Applicant.

TM: "YAMA"

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Decision No. 2007-64

DECISION

This is an opposition to the registration of the mark "YAMA" bearing Application No. 4-2003-006164 filed on July 11, 2003 covering the goods motor engines (except for land vehicles) and parts thereof, namely cylinder liners, con rod bearing standard, con rod assembly, cylinder head assembly, delivery valve, fuel filter assembly, main bearing standard, nozzle tip, crankshaft, piston with pin, piston ring standard, piston ring 0.25, plunger and barrel, intake valve, exhaust valve and head lamp assembly falling under classes 7, 11 of the International Classification of goods, which application was published for opposition on August 25, 2006 in the Intellectual Property Philippines (IPP) Official Gazette.

The Opposer in the instant opposition is "HENG DONG T. LIM" with address at 937 EDSA Philam, Quezon City.

On the other hand, Respondent-Applicant is "CATHERINE SALES DY" with address at No. 46 East Lawin Street, corner EDSA, Philam Homes, Quezon City.

The grounds for the opposition are as follows:

1. The Opposer is the holder and grantee of the KAMA trademark in the Philippines under Trademark Registration No. 4-2001-004358 and 4-2001-004359, herein attached as Annexes "A" and "B".

1.1 Trademark Registration Number 4-2001-004358 is under Class 7 and is used for diesel and gasoline engines, generators, agricultural implements, namely air cooled diesel engine, gasoline engine, diesel generator, gasoline generator, diesel water pump, gasoline water pump;

1.2 Trademark Registration Number 4-2001-004359 is under Class 11 and is used for pressure pumps and water pumps;

2. The above registered KAMA trademark is used for the following: air cooled diesel engine, gasoline diesel generator, gasoline generator, diesel water pump, gasoline water pump, basically the same class of products as those of the YAMA application.

3. The YAMA trademark is confusingly similar to the registered KAMA trademark held by the Oppositor.

4. That the applied YAMA trademark is confusingly similar to the KAMA trademark held by the Oppositor is no coincidence is borne by the following facts:

4.1 On various instances in 2002, the Applicant had been selling fake KAMA products in Kalookan City, Ozamis City and Quezon City;

4.2 As a result, the National Bureau of Investigation (NBI) conducted a test/bust buy operation, resulting in the seizure of 86 fake KAMA goods; charges were then filed by the NBI with the Department of Justice (DOJ);

4.3 On October 2003, the DOJ issued a resolution whereby it found a prima facie case against the Applicant for violation of Republic Act No. 8293; charges were this filed before the Regional Trial Courts of Kalookan City and Ozamis City; these cases are still pending;

5. Clearly, the Applicant has a keen interest on the KAMA trademark such that it is not farfetched that the YAMA trademark is concocted, to confuse the market, to decrease the sales of authentic KAMA products and to deviate/lure consumers to buy YAMA thinking that they are purchasing KAMA.

6. The intent to confuse the buying public is made more manifest by the fact that the YAMA application involves four letters Y, A, M, and A in bold and uppercase letters;

7. In view of the above, the Applicant's mark is practically similar and nearly similar to and confusingly similar with the registered trademark of the Oppositor which would clearly deceive or cause confusion in the minds of the buying public, in violation of Section 123.1 (g) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

8. That both marks are considered Class 7 goods will increase the level of confusion such that the market will be misled by origin and quality of Oppositor's products.

9. Certainly and for reasons aforesaid, the Oppositor will be damaged by the registration of the trademark applied for in the name of the Applicant.

On December 5, 2006, Respondent-Applicant files her Answer whereby admitting some of the allegations of the opposition and denied the others.

In the answer filed by the Respondent-Applicant, she alleged the following as her special and affirmative defenses:

1. There is neither legal nor factual basis for Opposer's claim that he will be damaged by the registration of the trademark "YAMA" in favor of Respondent-Applicant;

2. Respondent-Applicant's trademark "YAMA" is neither identical or confusingly similar to Opposer's trademark KAMA. As shown in the attached certified copies of the pertinent documents of Respondent-Applicant's Application Serial No. 4-2003-006164 heretofore marked as Exhibits "1", "1-a" to "1-p" and made integral parts hereof vis-à-vis Opposer's Annexes "A" and "B".

3. Respondent-Applicant's mark "YAMA" is spelled differently from Opposer's mark KAMA (Exhibit "1-d" vis-à-vis Annexes "A" and "B");

4. Respondent-Applicant's mark "YAMA" is presented or printed quite differently from the way Opposer's mark KAMA is presented or printed (Exhibit "1-d" vis-à-vis Annexes "A" and "B");

5. Respondent-Applicant's trademark "YAMA" means "mountain" in English (Exhibit "1-h"), while Opposer's mark KAMA means "horse" in English (Annexes "A" and "B").

In addition, Respondent-Applicant submits herewith photocopies of the pertinent pages of the Living Language-Japanese Dictionary giving the meaning of word YAMA heretofore marked collectively as Exhibit "2" and made integral part hereof;

1. Respondent-Applicant's trademark "YAMA" is for use on goods falling under Class 7 (Exhibit "1-h"), while Opposer's mark KAMA is registered for use on goods falling under Classes 7 and 11 (Annexes "A" and "B").

The above differences are further and clearly shown in the print-out of the e-Gazette showing the details of Respondent-Applicant's mark "YAMA", a copy of which is hereto attached as Exhibit "3" vis-à-vis Opposer's Annexes "A" and "B".

2. The absence of identity or confusing similarity between Respondent-Applicant's mark "YAMA" and Opposer's mark KAMA, has been confirmed by no less than the Bureau of Trademarks when it approved for publication said application. The Examiner did not even bother to cite as reference Opposer's mark KAMA (Exhibits "1-e", "1-f" and "1-g");

3. The registration and use by Respondent-Applicant of the trademark "YAMA" will not cause confusion or mistake on the part of the consuming public, nor deceived them into believing that Respondent-Applicant is affiliated or connected with Opposer, or that Respondent-Applicant's good bearing the mark "YAMA" come from Opposer.

4. The search warrant referred to by Opposer in paragraph 4 have been quashed by the Regional Trial Court of Manila, Branch 24, which quashal has been sustained by both Court of Appeals and the Supreme Court. Certified true copies of the Resolution of the Court of Appeals promulgated on January 13, 2006 and March 13, 2006 in CA-G.R. CV No. 84609, are hereto attached as Exhibits "4" and "4-a"; while certified true copies of the Resolution of the Supreme Court promulgated on July 26, 2006 and

September 18, 2006 in G.R. No. 172515, are hereto attached as exhibits "5" and "5-a" all of which are made integral parts hereof.

5. Opposer is not the owner of the trademark KAMA and the registration thereof in his favor was made fraudulently and in contravention of the Intellectual Property Code (IP Code). This is clear from Order issued by Judge Antonio M. Eugenio Jr. on January 21, 2003 and quoted by the Court of Appeals in its Resolution dated January 13, 2006 (Exhibit "4", pp. 3-4).

Not being the lawful owner of the trademark KAMA, Opposer will not be damaged by the registration of the mark "YAMA" in favor of Respondent-Applicant.

The issues having been joined, the Bureau of legal Affairs called this case for preliminary conference. Failing to reach an amicable settlement, the parties were required to submit their respective position paper after which the case was considered submitted for decision.

The only issue to be resolved in the instant case is:

WHETHER OR NOT THERE EXIST CONFUSING SIMILARITY BETWEEN THE RESPONDENT-APPLICANT'S MARK "YAMA" AND THE OPPOSER'S MARK "KAMA".

The applicable provision of law is, Section 123 (d) of Republic Act No. 8293, which provides:

Sec. 123. Registrability - 123.1. A mark cannot be registered if it:

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

- a. The same goods or service, or
- b. Closely related goods or services, or
- c. If it nearly resembles such a mark as to be likely to deceive or cause confusion;

The determination factor in a contest involving registration of trademark is not whether the challenged mark would *actually* cause confusion or deception of the purchasers but whether the use of the mark would *likely* cause confusion or mistake on the part of the buying public. The law does not require that the competing trademarks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the two trademarks is such that there is a possibility or likelihood of the older brand mistaking the newer brand for it.

In the case of *Etepha vs. Director of Patents* (16 SCRA 502), the Supreme Court stated that:

“The essential element of infringement is colorable imitation. This term has been defined as “such a close or ingenious imitation as to be calculated to deceive ordinary purchasers, or such resemblance of the infringing mark to the original as to deceive an ordinary purchaser giving such attention as a purchaser usually gives, and to cause him to purchase the one, supposing it to be the other”.

In determining whether or not there is confusing similarity between trademarks, the Supreme Court has relied on the dominancy test or the assessment of the essential or dominant features in the competing trademarks. Even the spelling and the similarity in sounds and pronunciation are taken into consideration. Thus, in the case of *Co Tiong Sa vs. Director of Patents* (95 Phil 1) the application for the registration of the trademark “FREEDOM” was rejected due to the existing registration of the mark “FREEMAN” over the same class of goods.

In the case of *Marvex Commercial Co, vs. Hawpia & Co.* (18 SCRA 1178), the Supreme Court found that:

“The tradename ‘LIONPAS’ for medicated plaster cannot be registered because it is confusingly similar to ‘SALONPAS’, a registered trademark also for medicated plaster. xxx Although the two letters of ‘SALONPAS’ are missing in ‘LIONPAS’ the first letter a and the letters. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. xxx”

In the case of *American Wire and Cable Co. vs. Director of Patents* (31 SCRA 544), the Supreme Court observed that:

“xxx The similarity between the two competing trademarks, DURAFLEX and DYNAFLEX is apparent. Not only are the initial letters and the last half of the appellations identical but the difference exists in only two out of the eight literal elements of the designations. Coupled with the fact that both marks cover insulated flexible wires under Class 20; xxx no difficulty is experienced in reaching the conclusion that there is a deceptive similarity that would lead the purchaser to confuse one product with the other”.

In the instant case, the only difference between the trademarks of Opposer and that of Respondent-Applicant are the first letters thereof, the first letter for “KAMA” being “K” and for “YAMA” being “Y”. All the other letters are the same. Both marks contain the letters AMA after K and Y respectively and have two syllables such that when the two are pronounced, the sound is almost the same.

The marks of the Opposer and Respondent-Applicant as appearing in their respective labels are hereby reproduced for scrutiny:

Moreover, both trademarks also cover related goods, i. e., motors and engines. As indicated in Opposer’s Certificate of Registration No. 4-2001-004358, Opposer’s mark “KAMA” covers goods falling under Class 7, namely, diesel and gasoline engines, generator,

agricultural implements, namely, air cooled diesel engine, diesel generator, gasoline generator, diesel water pump, gasoline water while Respondent-Applicant's mark "YAMA" also include goods falling under Class 7 such as motor engines (except land vehicles) and parts thereof, namely, cylinder liner, con rod baring standard, con rod assembly, cylinder head assembly, delivery valve, fuel filter assembly, main bearing standard, nozzle tip, crankshaft, piston with pin, piston ring standard, piston ring 0.25, plunger and barrel, intake valve, exhaust valve and head lamp assembly. As such, both products flow through the same channel of trade such that confusion between the two trademarks is likely to result in the mind of the prospective buyers.

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. They may also be related because they serve the same purpose or are sold in grocery stores. (2 Callman, Unfair Competition & Trade Marks, p. 1257

The purpose of the law in protecting a trademark cannot be over emphasized. They are to point out distinctly the origin or ownership of the article to which it is affixed, to secure to him, who has been instrumental in bringing into a market a superior article of merchandise, the fruit of his industry and skills, and to prevent fraud and imposition (Etepha vs. Director of Patents, *ibid.*). Today, the trademark is not only a symbol or origin and goodwill - - it is often the most effective agent for the actual creation and protection of goodwill. In other words, the mark actually sells the goods. The mark has become the "silent salesman". It has become a more convincing selling point than even the quality of the articles to which it refers. (Mirpuri vs. Court of Appeals, 318 SCRA 516)

Finally, Respondent-Applicant raised as one of her special and affirmative defenses that Opposer is not the owner of the trademark KAMA and that the registration thereof in his favor was made fraudulently and in contravention of the Intellectual Property Code. However, no evidence was presented by Respondent-Applicant to prove her claim.

Section 138 of Republic Act 8293 provides for the effect of a Certificate of Registration, to wit:

"Section 138. Certificates of Registration. – A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate."

As such, until and unless it is cancelled, "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 in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed." (Section 147.1 of Republic Act 8293)

WHEREOF, premises considered, the Notice of Opposition is hereby SUSTAINED. Consequently, Application bearing Serial No. 4-2003-006164 filed by Respondent-Applicant Catherine Sales Dy on July 11, 2003 for the registration of the mark "YAMA" used on goods under Classes 7 and 11 is, as it is, hereby REJECTED.

Let the filewrapper of the trademark "YAMA" subject matter of this case together with a copy of this decision, be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 30 May 2007.

ESTRELITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs