

LITTON SYSTEMS, INC.,	}	INTER PARTES CASE No. 3904
Opposer,	}	Opposition to:
	}	Application Serial No. 63869
-versus-	}	Date filed: 2-10-1988
	}	
	}	Trademark: "KESTER"
JACINTO TAN,	}	
Respondent-Applicant.	}	Decision No. 2001-23
x-----x	}	

DECISION

This is an Opposition filed on September 2, 1993 against the registration of the mark "KESTER" covering the goods metals used for alloy of lead under the application bearing Serial No. 63869 which application was published for opposition on page 73 Volume VI of the BPTTT Official Gazette, March-April 1993 issue and actually released for circulation on May 31, 1993.

The Opposer in this opposition proceedings in LITTON SYSTEMS, INC., a corporation organized and existing under the laws of the State of Delaware, U.S.A. with Offices at 275 Paterson Avenue, Little Falls, New Jersey, United States of America.

The Respondent-Applicant on the other hand is JACINTO TAN, a Filipino citizen with address at 1347 Saler Street, Manila, Philippines.

The grounds for the opposition are the following:

- "1. The registration of the trademark in the name of the respondent-applicant will violate and contravene the provisions of Section 4 (d) of Republic Act No. 166 as amended because said mark is confusingly similar to the trademark owned and unabandoned by the opposer, as to be likely, when applied to or used in connection with the goods of respondent-applicant to cause confusion or mistake or deceive purchases thereof;
- "2. The trademark is known all over the world to be exclusively owned by the opposer. Hence, the registration of the confusingly similar trademark KESTER in the name of the respondent-applicant will be a breach of the clear provisions of  
  
Article 6 bis of the Paris Convention for the protection of Industrial Property which is enforced in the Philippines since September 27, 1965;
- "3. That the registration of the trademark in the name of the respondent-applicant will cause grave and irreparable injury and damage to the opposer within the meaning of Section 8 of Republic Act No. 166, as amended."

In support of its opposition, Opposer relied on the following facts:

- "1. Opposer is the registered owner in the United States of the mark under Certificate of Registration Nos. 502628 and 1556536;
- "2. Opposer has also applied and/or registered the same mark in several countries throughout the world;

- “3. Opposer has been using the mark in the U.S. and in other countries for good falling in International Class 6;
- “4. Opposer has built an immense and valuable goodwill for its mark due mainly to the vastly quality of its products and large sums of money that it has spent for advertising and promoting its goods bearing the trademark;
- “5. It is obvious that respondent-applicant, in adopting and using as his trademark is intending to ride-on and cash-in on the international popularity of opposer’s mark and to palm-off his goods as those o the opposer;
- “6. The use and registration of the trademark by the respondent-applicant will likely cause confusion, mistake and deception to the buying public on the origin of the goods and will definitely dilute the value of opposer’s mark because the mark of the respondent-applicant are confusingly similar if not identical to that of the opposer’s and the goods upon which the marks are applied flow through the same channels of trade;
- “7. Further, the use and registration of the mark by respondent-applicant will cause grave and irreparable damage or injury to the opposer within the meaning of the Trademark Law.”

On October 1, 1993, A Notice to Answer the verified Notice of Opposition was sent to the Respondent-Applicant.

On October 15, 1993, Respondent-Applicant himself filed a simple response to the Notice of Opposition without admitting nor denying Opposer’s allegation in the Notice of Opposition.

At the Pre-Trial conference set on December 14, 1993 Opposer did not appear. Respondent-Applicant appeared and manifested that he will file his Answer to the Notice of Opposition until January 5, 1994 without further extension but did not do so nor even filed manifestation or motion relative thereto.

Consequently, less than two years later, or on 6 February 1995 this Office issued 95-102 dismissing the instant case for failure of Opposer to prosecute and for lack of interest on the part of Respondent-Applicant.

On February 23, 1995, Opposer through Counsel filed a Motion For Reconsideration praying that ORDER No. 95-102 dated 6 February 1995 be reconsidered and that the parties be given chances to show cause why the case should not be dismissed.

Acting on the Motion for Reconsideration and finding that opposer was stills very much interested in the prosecution of this case, ORDER NO. 95-289 dated 15 May 1995 was issued whereby the ORDER dismissing the instant case was set aside and this case was reverted to its active status. The records however show that Respondent-Applicant has been given ample time or a period of more than a year within which to submit its answer, hence he was granted a final period of ten (10) days from receipt of the aforesaid Order within which to file the required answer.

Subsequently, on August 11, 1995, Opposer through counsel filed an Ex-Parte Motion to Declare Respondent-Applicant IN DEFAULT under Order No. 95-427 dated 22 August 1995.

After Opposer's presentation of its evidence, Opposer finally submitted the required Memorandum.

The only issue to be resolved in this particular case is"

WHETHER OR NOT THE REGISTRATION OF THE TRADEMARK "KESTER" IN THE NAME OF RESPONDENT-APPLICANT WILL CONTRAVENE THE PROVISIONS OF SEC. 4(D) OF R.A.A NO. 166 AS AMENDED, BECAUSE SAID TRADEMARK IS CONFUSINGLY SIMILAR/IDENTICAL TO THE TRADEMARK "KESTER" OWNED AND UNABANDONED BY THE OPPOSER.

The governing law at the time the trademark application was filed and the time when this Notice of Opposition was instituted is R.A. No. 166 amended.

The applicable provision of the trademark of the Trademark Law s SECTION 4 (d) of R.A. No. 166 as amended which provides:

"SECTION 4. Registration of trademarks, trade-names and service-marks on the principal register – There is hereby established a register of Trademarks, trade-names and service-marks which shall be known as the Principal register. The owner of a trademark, trade- names and service-mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless, it:

xxx

"(d) consists of or comprises a mark or trade-name which so resembles a mark or tradename registered in the Philippines or a mark or tradename previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers;

Whether or not a trademark causes confusion and is likely to deceive the public is a question of fact which is resolved by applying the "TEST OF DOMINANCY".

The Supreme Court in the case of "PHILIPPINE NUT INC., vs. STANDARD BRANDS INCORPORATED, et. Al. 65 SCRA 575, 579" it stated:

"In case involving infringement of trademark brought before the Court, it has been consistently held that there is infringement of a trademark when the use of the mark involved would be likely to cause confusion or mistake in the mind of the public or to deceive purchasers as to the origin of the commodity; whether or not a trademark causes confusion and is likely to deceive the public is a question of fact which is resolved by applying the "TEST OF DOMINANCY", meaning, if the competing trademark contains the main or essential or dominant features of another by reason of which confusion and deception are likely to result, then infringement takes place: THAT DUPLICATION OR IMITATION IS NOT

NECESSARY. A similarity in the dominant features of the trademarks would be sufficient. "CO TIONG Sa vs. Director of Patents, 1954, 94 Phil. I, citing viz CLARKE vs. MANILA CANDY CO (36, Phil. 100;) ALHAMBRA CIGAR & CIGARETTE CO. vs. TAO OGE, 47 Phil. 75, (ETEPHA A.G. vs. Director of Patents and WESTMONT PHARMACEUTICALS INC. NO. L-20635, March 31, 1966, 16 SCRA 495)

A cursory review of the documentary exhibits (Exhibit "C-1", "D-1", "E-1") for the opposer and the "drawings" on file for the Respondent-Applicant, reveal that both trademarks contain the same word "KESTER". They are similar in spelling, pronunciation, and in the manner of lettering.

Moreover, Respondent-Applicant's mark "KESTER" IS USED ON "METALS USED FOR ALLOY OF LEAD" which goods are covered by the Opposer's mark "KESTER". They belong to the same class of goods. Therefore, the goods covered by the Respondent-Applicant's mark are related /identical with that of the Opposer.

The Supreme Court in the case of ESSO Standard Eastern, Inc. vs. The Honorable Court of Appeals and United Cigarette Corporation (116 SCRA 336, 342 [1982]) ruled that"

"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 characters with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or sold in grocery store. )2 Callman Unfair Competition & Trademarks, p. 1257). Thus, biscuits were held related to milk because they are both products (Arce vs. Selecta Supra). Soap and perfume, lipstick and nail polish are similarly related because they are common household items now a days. (Chua Che vs. Phil. Patent Office Supra)" (underscoring supplied)

Pursuant to the aforesaid Supreme Court ruling, the goods of the parties are obviously similar or related to each other. They are so related as to make it likely that the purchasers would think that Opposer is the manufacturer of Respondent-Applicant's goods as they belong to same classes of goods or vice versa.

In connection with the use of a confusingly similar or identical mark, it has been ruled, thus:

"Those who desire to distinguish their goods from the goods of another have a broad field from which to select a trademark for their wares and there is no such poverty in English Language or paucity of signs, symbols, numerals etc. as to justify who really wishes to distinguish his products from those of all others entering the twilight zone of a field already appropriated by another." (WECO PRODUCTS CO. vs. MILTON RAY CO., 143 F 2d, 985, 32 C.C.P.A. Patents 1214).

"Why of the million of terms and combinations of the letter and designs available, the appellee had to choose, those so closely similar to another's trademark if there is no intent to take advantage of the goodwill generated by the other mark". (AMERICAN WIRE & CABLE CO. vs. Director of Patents, 31 SCRA 544)

"xxx Why, with all the birds in the air, and all fishes in the sea, and all the animals on the face of the earth to choose from, the defendant company (MANILA CANDY CO.) elected two roosters as its trademark, although its directors and managers must have been well aware of the long continued use of a rooster by the plaintiff with the sale and achievement of its

goods? x x x a cat, a dog, a carabao, a shark, or an eagle stamped upon the container in which candies are sold would serve as well as rooster for the product of defendant's factory. Why did defendant select two roosters as its trademark?" (Clarke vs. Manila Candy Co., 36 Phil 100)

To be noted is the fact that Opposer's trademark "KESTER" has been registered with the Bureau of Patents, now the (IPO) Intellectual Property Office on May 22, 1980 bearing Reg. No. 28344 for the goods "SOLDERING FLUXES" in the name of therein Opposer.

Further, it should be emphasized that Opposer has registered the mark "KESTER" in its country of origin bearing Reg. No. 502, 470 for a term of 20 years from 28 September 1948 and had its second renewal for a term of another 20 years from September 28, 1998 (Exhibits "C", "C-1" and "E-1") for which is very much earlier than the date of first use claimed by the Respondent-Applicant which is in 1987. There is, therefore no doubt as to Opposer's prior use and ownership of the trademark "KESTER".

As to prior use and rightful owner of the trademark "KESTER", Opposer should be given protection from unlawful copying or imitation by others including the Respondent-Applicant pursuant to our country's obligation under Article 6 bis of the Paris Convention, and in compliance with the provisions of our trademark law R.A. No. 166 as amended. Thus, the Supreme Court has declared in several cases:

"That the objects of a trademark 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 the market a superior article or merchandise; the fruit of his industry and skill, and to prevent fraud and imposition." (ETEPHA vs. Director of Patents, 16 SCRA 495; La Chemise Lacoste, S.A. vs. Fernandez, 129 SCRA 373)

"The owner of a trademark or tradename has a proprietary right in which he is entitled to protection, since there is damage to him from confusion of reputation or goodwill in the mind of the public as well as confusion of goods. The modern trend is to give emphasis to the acts and to treat the issue as a fraud. (ANG vs. TEODORO, 74 Phil. 50; ARCE SONS & CO. vs. SELECTA Biscuits Co. Inc. 1 SCRA 253)

In this regard, the Supreme Court held that when one applies for the registration of a trademark or label mark which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user 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. vs. Director of Patents and VILLAPANTA, 108 Phil. 833,836)

It must be noted that the herein Respondent-Applicant was declared as IN DEFAULT in accordance with the Rules of Court for his failure to file his answer within the reglementary period, and upon Motion of Opposer through counsel (ORDER No. 95-427) dated 22 August 1995.

It was held by the Supreme Court in "DELEBROS HOTEL CORPORATION vs. Intermediated Appellate Court, 159 SCRA 533, 543, that:

"Fundamentally, default Orders taken on the legal presumption that in failing to file an answer, the Defendant does not oppose the allegations and reliefs demanded in the complaint."

Indeed, this Office cannot but notice the lack of concern the Respondent-Applicant had shown in protecting the mark which is contrary to the norm that: "A person takes ordinary care of his concern" (Sec. 3(d), Rule 131 of the Rules of Court.)

WHEREFORE, premises considered, the opposition is hereby SUSTAINED. Consequently trademark application for the mark "KESTER" bearing Serial No. 63869 filed by JACINTO TAN is hereby REJECTED.

Let the filewrapper of KESTER subject matter of the instant case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau for appropriate action in accordance with this DECISION with a copy furnished the Bureau of Trademarks for information and to update of its records.

SO ORDERED.

Makati City, December 10, 2001.

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