

NINTENDO COMPANY LIMITED
Opposer,
- versus -

IPC 3592

Opposition to:
TM Application No. 62765
(Filing Date: 12 September 1987)

CHONG KOH TENG,
Respondent-Applicant.

TM: "SUPER MARIOBROS"
Decision No. 2007 – 97

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DECISION

This is an opposition to the registration of the mark "SUPER MARIOBROS" used on "shoes, slipper, sandals" and "shirts, t-shirts, pants, jeans, shorts, socks, handkerchiefs, jogging pants, jackets and sweaters" bearing Application No. 62765 filed on September 21, 1987 by CHONG KOH TENG which application was published for opposition in page 48. Volume III No. 4 of the Bureau of Patents, Trademarks and Technology Transfer Official released August 31, 1990.

The Opposer on the instant opposition is "NINTENDO COMPANY LIMITED", a corporation duly organized and existing under the laws of Japan and doing business at 60 Fukuinekamita Kamatsu-cho, Higashiyama-Ku, Kyoto-fu, Japan.

The Respondent-Applicant is "CHONG KOH TENG" a citizen of the Philippines with business address at 578 Hormiga Street, Binondo, Manila.

The grounds of the opposition are as follows:

- "1. The Opposer is the owner of the trademark SUPER MARIO BROS for its products under international classes 9 and 28 under Japanese Certificates of Registration Nos. 2042109, 2074106 and 2036889 as evidence of its ownership.
- "2. It has also applied in the Philippines for registration of the mark SUPER MARIO BROS docketed as Application No. 66484 for its goods under Classes 9, 24 and 28, which application is positive proof of Opposer's desire to lay exclusive claim to the mark SUPER MARIO BROS.
- "3. The trademark SUPER MARIO BROS applied for registration by the Respondent-Applicant so resembles and is in fact identical to, the aforementioned pending and unabandoned mark of the Opposer that the continued use of the Respondent-Applicant's aforementioned mark on its goods will very likely cause confusion or mistake or will deceive purchasers thereof, such that the public may be led to believe that the mark of the Respondent-Applicant and the goods on which Respondent-Applicant's mark are used are those of the Opposer herein.
- "4. The trademark SUPER MARIO BROS is, and ever since its adoption has been, continuously applied to products of Opposer, to the packages and containers of said products and to the labels affixed to said packages and containers. The trademark SUPER MARIO BROS has come to be and now is popularly known throughout the world, and is of great value to the opposer. Said mark identifies and designates the products to which it is applied as coming exclusively from Opposer and distinguishes such products from the products of others, more particularly, of herein Respondent-Applicant.
- "5. The opposer herein believes that the registration of the trademark SUPER MARIO BROS in the name of Respondent-Applicant will cause great and irreparable injury and damage to herein Opposer.

Opposer relied on the following facts to support its opposition:

- “1. That the mark SUPER MARIO BROS appearing on the labels, packages and containers of the Respondent-Applicant, closely resembles Opposer’s aforementioned mark SUPER MARIO BROS. as actually used on the goods of the Opposer.
- “2. That the Opposer’s aforementioned trademark, which has been continuously in use since its adoption has already acquired a considerable amount of goodwill through long and continued use thereof and by virtue of its well renowned reputation specially in the field of children entertainment.
- “3. Opposer has existing Japanese Certificates of Registration for the trademark SUPER MARIO BROS for classes 9 and 28. Further, it has a pending application for registration of the same trademark in the Philippines docketed as Serial No. 66484 for classes 9, 24 and 28.
- “4. Application No. 62765 should be cancelled in accordance with Article 8 of Paris Convention for the Protection of Industrial Property.
- “5. Under the guidelines outlined in the Ministry of Trade & Industry Memorandum dated 25 October 1983, the validity of which was upheld by the Supreme Court in *La Chemise Lacoste S.A. vs. Hon. Oscar C. Fernandez, et. al.*, G.R. Nos. 63796-97, and *Gobrindran Hemanda Sujarani vs. Hon. Rorebto V. Ongpin, et. Al.*, G.R. No. 65659, the mark SUPER MARIO BROS is an internationally well-known or world famous trademark and must be accorded the appropriate recognition in this jurisdiction. Pursuant to said Memorandum, Application Serial No. 62765 should be cancelled as being contrary to Article 6bis of the Paris Convention for the Protection of Industrial Property.

In his Answer, Respondent-Applicant alleged the following:

- “1. That there are no valid grounds for Opposer to oppose Application Serial No. 62765 and the grounds cited in the above Notice of Opposition are denied, more particularly:
 - a). Respondent-Applicant has no knowledge or information sufficient to form a belief as to the truth or falsity of the allegations constituting ground No. 1. In fact, contrary to the requirement of Section 8 of Republic Act No. 166, as amended, Opposer failed to attach to its above notice of opposition, copies of the alleged certificates of registration issued to it in Japan.
 - b). Respondent-Applicant has likewise no knowledge or information sufficient to form a belief as the truth of falsity of the allegations constituting ground No. 2. Furthermore, even assuming the allegations to be true, the alleged application was clearly filed much later than the filing of Respondent’s application and seeks to cover goods different from the goods covered by Respondent-Applicant’s application.
 - c). There is no legal or factual basis for grounds Nos. 3, 4 and 5, considering that Respondent-Applicant’s trademark SUPER MARIO BROS is neither identical nor confusingly similar to the alleged trademark of Opposer. In addition, as stated above, the goods upon which Respondent uses subject mark are entirely different from the goods upon which Opposer claims it is using its trademark.

To be noted in this particular case is the fact that the Respondent-Applicant's trademark Application No. 62765 for the registration of the trademark "SUPER MARIO BROS." subject of the instant opposition was filed on September 21, 1987, while Republic Act No. 166, as amended, was in force and effect and before Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines took effect on January 1, 1998.

Considering that the challenged trademark application was filed under the provision of the old trademark law or Republic Act No. 166, as amended, hence, the instant case shall be decided on the basis of said law, so as not to adversely affect rights already acquired prior to the effectivity of the new intellectual Property Code of the Philippines (Republic Act No. 8293).

The applicable provision of law, is Section 4 (d) of Republic Act No. 166, as amended, which provides:

"Section 4 – Registration of trademarks, trade-names and service marks in the Principal Register. – xxx – The owner of a trademark, trade-name or 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 of the Principal Register, unless it: x x x

(d) Consist of or compromises a mark or trade-name which so resembles a mark or trade-name registered in the Philippines, or a mark or trade-name 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 service of the applicant, to cause confusion or mistake or deceive purchasers".

The ultimate issue to be resolved in this particular case is:

WHETHER OR NOT RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK "SUPER MARIOBROS" IN HIS FAVOR.

Based on the records, Respondent-Applicant filed his trademark application bearing Serial No. 62765 for the mark "SUPER MARIOBROS" on September 21, 1987 (Exhibit "41") alleging first use on January 2, 1982 (Exhibit "41-a"). At that time neither Opposer, nor any other person and/or entity had appropriated and/or used, much less, registered the mark "SUPER MARIOBROS" in the Philippines for use on shoes, slippers, sandals and garments falling under class 25 of the International Classification of goods.

To prove that Respondent-Applicant continuously used of his trademark "SUPER MARIOBROS", he filed his Declaration of Actual USE (DAU) on December 3, 2001 (Exhibits "41-c" to "41-h"), and submitted in addition, representative sales invoices of his distributor Royal King Industrial and Enterprise, Inc., showing sale of "SUPER MARIOBROS" shoes (Exhibits "42" to "42-c" and "43").

It is fundamental principle in the Philippine Trademark Law that actual use in commerce in the Philippines is a pre-requisite to the acquisition of ownership over a trademark or a trade name (Kabushiki Kaisha Isetan vs. Intermediate Appellate Court et. al., G.R. No. 75420, November 15, 1991).

Likewise, the use required as a foundation of the trademark rights refers to local use at home and not abroad. (2 Callman, Unfair Competition and Trademarks, par. 76.4, 91006)

Relative, thereto, Section 2 and 2-A of Republic Act No. 166, as amended, provides that:

"Section 2 – What are registrable – Trademarks, trade-names and service marks owned by persons, corporations, partnerships or associations domiciled in the Philippines and by persons, corporations, partnerships or associations

domiciled in any foreign country may be registered in accordance with the provision of this Act. Provided, that said trademarks, trade names or service marks are actually used in commerce and services not less than two months in the Philippines before the time the applications for registration are filed. And Provided, further that the country of which the applicant for registration is a citizens of the Philippines, and such fact is officially certified, with a certified true copy of the foreign law translated into English language, by the government of the foreign country to the government of the Republic of the Philippines”.

“Section 2-A. Ownership of trademarks, trade-names and service marks, how acquired. – Anyone who lawfully produces or deals in merchandise of any kind or engages in any lawful business, or who renders lawful service in commerce, by actual use thereof in manufacture or trade, in business, and in the service rendered may appropriate to his exclusive use a trademark, trade name or service mark not so appropriated by another, to distinguish his merchandise, business or service from the merchandise, business or service to others. The ownership or possession of a trademark, trade name or service mark heretofore or hereafter appropriated, as I this section provide, shall be recognized and protected in the same manner and to the same extent as are other property rights known to the law.”

The same law also provided that an owner has the right to register the mark in its name unless his mark resembles a mark registered in the Philippines or one which is previously used in the Philippines by another and not abandoned. Section 4 (d) of Republic Act No. 166, as amended, provides that:

“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 name or 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:

(d) Consist of or compromises a mark or trade name which so resembles a mark or trade name registered in the Philippines, or a mark or trade name 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.”

The above-quoted provisions of Republic Act No. 166, as amended, cannot be used as basis for opposing Respondent-Applicant’s application bearing Serial No. 62765, since as of January 2, 1982, when Respondent-Applicant adopted and started using the trademark “SUPER MARIOBROS” as well as on September 21, 1987, when he filed his application, Opposer’s mark “SUPER MARIO BROS” was neither registered nor applied for registration in the Philippines, neither was it used in lawful commerce in the Philippines.

The claim of Opposer over the trademark in dispute is based on its trademark “SUPER MARIOBROS” for the products under classes 9 and 28 of the International Classification of goods bearing Japanese Registration No. 2042109, 2074106 and 2036889 and likewise on the basis of its application in the Philippines bearing Serial No. 66484 filed on December 14, 1988 for goods under classes 9, 24 and 28 of the International Classification of goods and from the various certificate of registrations issued by several countries in its favour.

As to the trademark application of the Opposer for the mark “SUPER MARIO BROS” no confusing similarity exists with that of the Respondent-Applicant’s trademark application for the mark “SUPER MARIOBROS” as the goods/or products covered by the competing marks are

entirely distinct and different from each other. The goods covered by the Opposer's mark belong or falling under classes 9 and 28 of the International Classification of goods while that of the Respondent-Applicant's mark is covering the goods falling under class 25 of the International Classification of goods.

In the case Canon Kabushiki Kaisha vs. Court of Appeals and NSR Rubber Corporation, G.R. No. 120900, promulgated on July 20, 2000, the Supreme Court ruled:

“The trademark of the Petitioner “CANON” as used on by Petitioner for its paints, chemical products, toner and dyestuff, can be used by private respondent for its sandals because the products of these two parties are dissimilar. The Petitioner's products/goods is under class, while that of the Respondent-Applicant's products is under class 25 of the International Classification of goods”

In another case, “Faberge Incorporated vs. Intermediate Appellate Court, 215 SCRA 326 (1992), the Supreme Court sustained the Director of Patents who allowed the junior user to use the trademark of the Senior user on the ground that the briefs manufactured by the Junior user, the product for which the trademark “BRUTE” was sought to be registered, was unrelated and non-competing with the products of the Senior user consisting of aftershave lotion, shaving cream, deodorant, talcum powder and bath soap.

In “Esso Standard Eastern, Inc., vs. Court of Appeals (116 SCRA 336) the Supreme Court said:

“Infringement of trademark depends on whether the goods of two contending parties using the same trademark, such as ESSO” are so related as to lead the public to be deceived. The vast majority of courts today follow the modern theory or concept of “related goods” which the court has likewise adopted and uniformly “related goods” which the court has likewise adopted and uniformly recognized and applied. – Goods are related 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. x x x”

Finally, the trademark application of the Respondent-Applicant was filed on September 21, 1987 while that of the Opposer was filed on December 19, 1988, more than one (1) year later, hence, cannot be a bar for the registration of the Respondent-Applicant's application under Section 4 (d) of Republic Act No. 166, as amended.

With respect to Opposer's Certificate of Registrations issued in various jurisdiction, it is observed that majority of them were issued very much later when the Respondent-Applicant has started using trademark in commerce in the Philippines on January 2, 1982 (Exhibit “41-a”).

Opposer must be well-aware that registrations obtained abroad and advertisements outside the Philippines cannot be made source of trademark rights in the Philippines (Sections 2 and 2-A of Republic Act No. 166, as amended).

The protection under foreign registration could not extend to the Philippines because “the law of trademarks rest upon the doctrine of nationality”. The United State of America, from which our trademark laws have been copied and most other countries, respect this basic premise. The scope of protection is determined by the law of the country in which protection is sought, and international agreements for the protection of industrial property are predicated upon the same principle x x x The use required as the foundation of the trademark rights refers to local use at home and not abroad x x x (Callman, Unfair Competition and Trademarks, Section 76.4, p100).

As held by the Supreme Court in the case of Sterling Products International, Inc., vs, Farbenfabriken A.G., 21 SCRA 1214:

“The United States is not the Philippines. Registration in the United States is not registration in the Philippines. x x x Plaintiff itself concedes that the principle of territory of trademark law has been recognized in the Philippines. Accordingly, the registration in the United States of the “BAYER” trademark would not of itself afford plaintiff protection for use by the defendants in the Philippines of the same trademark for the same or different goods.”

In another case, the Supreme Court held that a foreign company selling a brand of shoes abroad and not in the Philippines has no goodwill that would be damaged by registration of the same trademark in favour of the domestic corporation which has been using it for years here (Bata Industries, Ltd., vs. Court of Appeals, 114 SCRA 318).

Moreover, as shown by the records, it appeared that the Respondent-Applicant has actually started using the trademark “SUPER MARIOBROS” on shoes, slippers, sandals and garments falling under class 25 on January 2, 1982 (Exhibit “41-a”). To Applicant filed his Declaration of Actual Use (DAU) on December 3, 2001 (Exhibits “41-c” to “41-h”) and submitted in addition, representative sales invoices of his distributor, Royal King Industrial and Enterprise, Inc., showing sale of SUPER MARIOBROS shoes (Exhibit “42” to “42-c” and “43”).

A sale made by a legitimate trader in the course of his doing business establishes trademark rights. In this regard, Respondent-Applicant was able to present evidence sufficient to sustain a finding of actual sales of goods in the local market using the mark “SUPER MARIOBROS” which signifies commercial use in the Philippines which is crucial in determining trademark ownership.

It is very clear that in the Philippines, it is through the Respondent-Applicant’s initiative and effects that the mark “SUPER MARIOBROS” have generated goodwill among the Filipino consumers. It would therefore be unfair and erroneous to assume/conclude that Respondent-Applicant’s business standing and reputation was occasioned by him cashing in on the fame of Opposer’s mark considering of the mark “SUPER MARIOBROS” in the Philippines. Evidence clearly shows Respondent-Applicant’s prior adoption and use of the mark in the Philippines since January 21, 1982 and his continuous lawful and commercial use ever since. Opposer’s insistence that it has goodwill in the Philippines that would be damaged by the Respondent-Applicant’s registration of his mark due to the registrations of its trademark in some countries abroad and advertising which may or may not have been circulated in the Philippines, cannot by any stretch of imagination influence the Filipino public.

As aptly enunciated by the Supreme Court in the case (Kabushiki Kaisha Isetan vs. Intermediate Appellate Court, 203 SCRA 593);

“The mere origination or adoption of a particular trade name without actual use thereof in the market is insufficient to give any exclusive right to its use (Johnson Manufacturing Co. vs. Leader Station Corp., 196 N.E. 852, 291 Mass. 394), even though such adoption is publicly declared, such as by use of the name in advertisements, circulars, price lists and on signs and stationary. (Consumer Petroleum Co., vs. Consumers Co. of Ill., 169 F 2d 153).”

The Opposer also argues that its trademark is well-known mark deserves protection as a consequences of our adherence to the Paris Convention (Article 6bis).

It must be pointed out that the Opposer’s mark “SUPER MARIO BROS” is not one of those internationally known trademarks mentioned under the Memorandum dated 20 November 1980 of the Honorable Luis R. Villafuerte of the Ministry of Trade.

Likewise, the then Ministry of Trade and Industry, the Hon. Roberto V. Ongpin, issued a memorandum dated 25 October 1983 to the Director of Patents, a set of guidelines in the implementation of Article 6bis of the Treaty of Paris. These conditions are:

- a. The mark must be internationally known;
- b. The subject of the right must be a trademark not patent or copyright or anything else;
- c. The mark must be for use in the same or similar kinds of goods; and
- d. The person claiming must be the owner of the mark (The Parties Convention Commentary on Paris Convention, article by Dr. Bogseh, Director General of the World Intellectual Property Organization, Geneva, Switzerland 1985).

From the set of facts found in the records of this case, it is ruled that the Opposer failed to comply with the third requirement of the said Memorandum that is, the mark must be for use in the same or similar kinds of goods. The Opposer has been using the mark "SUPER MARIO BROS" for products belonging to classes 9 and 28, while the herein Respondent-Applicant is using his mark for products belonging to class 25 of the International Classification of goods.

WHEREFORE, in light of all the foregoing, the Opposition is, as it is hereby, DENIED. Consequently, Application bearing Serial No. 62765 filed on September 21, 1987 for the mark "SUPER MARIOBROS" covering goods under Class 25 of the International Classification of goods is hereby GIVEN DUE COURSE.

Let the filewrapper of the trademark "SUPER MARIOBROS" 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, 18 July 2007.

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