

OSOTSPA CO., LTD.,	}	IPC No. 14-2005-00011
Opposer,	}	Opposition to:
	}	App. Ser. No. 4-2001-001479
-versus-	}	Date Filed: 01 March 2001
	}	
ROBERTO C. RONQUILLO and	}	TM: "SHARK"
ROBERTO N. ECHEVARRIA,	}	
Respondent-Applicant,	}	DECISION NO. 2006 – 63
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## DECISION

For decision is the Verified Notice of Opposition filed on December 17, 2004 against the application for registration of the mark "SHARK" used for automobile/car accessories, apparatus namely automobile roof baskets, rear bumpers, step boards, tire covers, bull bars, automotive seat covers, wind deflectors, window visors, spoilers, side mirror protectors, fog lamps, floor matting, car alarm, backing sensors under class 12 of the international classification of goods bearing Application Serial No. 4-2001-001479 which was published in Volume No. VII, Issue No. 5, page 96 the Intellectual Property Office (IPO) Official Gazette which was released for circulation on August 18, 2004.

Opposer, OSOTSPA CO., LTD, is a company organized under the laws of the Thailand, with principal place of business at 2100 Ram Khamheang Road, Huamak, Bangkapi, Bangkok 10240, Thailand.

Respondent-Applicants are Messrs. ROBERTO C. RONQUILLO and ROBERTO N. ECHEVARRIA, with address at 28 Road B, Project 7, Quezon City and 3 Hackney Street, Rancho Estate 4 East, Marikina City, respectively.

The grounds for Opposition to the registration of the mark are as follows:

"1. Opposer is the true owner and rightful proprietor of the internationally known trademark "SHARK & DEVICE" which are used in Opposer's various goods under Class 32.

"2. On 05 September 2002, the IPO issued to Opposer the Certificate of Registration for the trademark "SHARK & DEVICE" bearing Registration No. 4-1996-11304 for non-alcoholic drinks, syrups and other preparations for making beverages under Class 32.

"3. As the owner of the "SHARK & DEVICE" trademark, Opposer caused the application and registration of the same in more than eighty (80) countries, which includes various countries in the European Community, Australia, Cameroon, Chile, China, India, Iran, Japan, Malta, Mexico, Singapore, Thailand, Turkey, the U.S.A. and the Philippines. The "SHARK & DEVICE" mark was registered as early as 07 February 1996 in Thailand.

"5. Opposer has continuously used the "SHARK & DEVICE" mark worldwide since 1996.

"6. Opposer has used the "SHARK & DEVICE" mark in the Philippine since 2000 through distribution and sales of energy drink products exhibiting labels bearing the "SHARK & DEVICE".

"7. Opposer maintains worldwide and extensive advertising and promotional campaigns for its goods bearing the "SHARK & DEVICE" mark and the SHARK Trademarks.

"8. By reason of Opposer's worldwide and continuous registration, advertising campaign, and use of the mark "SHARK & DEVICE", the same have become internationally known and have acquired a meaning exclusively identified with Opposer.

"9. On 01 March 2001, almost (5) years from the time Opposer filed the application for the registration of the mark "SHARK & DEVICE" with the IPO, Respondent-Applicants applied for the registration of the trademark "SHARK" for automobile/car accessories and apparatus under Class 12, evidently to take advantage of the popularity and goodwill generated by Opposer's "SHARK & DEVICE" mark. The use by Respondent-Applicants of the word "SHARK" with a configuration of a shark will result in confusion among the relevant sector of the public, as the components are identical to that of Opposer's "SHARK & DEVICE" mark. Particularly telling is the identical representation of the letter "S" in the two marks which both depict the mouth and teeth of a shark. There are limitless names and letter combination and shapes/configuration available to Respondent-Applicants, but they nevertheless sought to use the word "SHARK" and the and the configuration of a shark in the trademark "SHARK" to clearly confuse of deceive purchasers into believing that the goods of Respondent-Applicants are those of, or sponsored by, Opposer.

"10. The registration and use by Respondent-Applicants of the trademark "SHARK" would tend to falsely suggest a connection with the Opposer, considering the fact, that the assailed mark is identical to Opposer's "SHARK & DEVICE" mark.

"11. The registration and use of the trademark "SHARK" will also diminish the distinctiveness and dilute the goodwill associated with Opposer's "SHARK & DEVICE" mark, which has become distinctive for, and practically synonymous with, the goods and products manufactured and sold by Opposer all over the world.

"12. The registration of the trademark "SHARK" in the name of Respondent-Applicants, which resembles Opposer's "SHARK & DEVICE" mark, will cause the latter incalculable damage to its reputation and general business standing.

"13. The use and adoption by Respondent-Applicant's of the trademark "SHARK", which is confusingly similar to, Opposer's "SHARK & DEVICE" mark, constitute an unlawful appropriation of an internationally known mark. Accordingly, Application No. 4-2001-001479 filed by Respondent-Applicants for the registration "SHARK" is in violation of Section 123 (f) or Republic Act No. 8293, or the Intellectual Property Code of the Philippines (IP Code, for brevity).

"14. Moreover, since Opposer's application to its Philippines registration for the "SHARK & DEVICE" mark was filed prior to the filing date accorded to Respondent-Applicants application for "SHARK", and was even registered way before the publication Respondent-Applicants application, and the latter mark resembles Opposer's "SHARK & DEVICE" mark Application No. 4-2001-001479 should not be allowed to proceed to registration pursuant to Section 123 (d) of the IP Code."

On January 31, 2005 a notice to Answer the Verified Notice of Opposition was issued by the Bureau to the herein Respondents-Applicants filed their Answer stating the following Affirmative Defenses:

1. Assuming that the mark involved are similar, the goods to which they are used are different i.e. car accessories for the Respondent-Applicant and beverages for the Opposer.
2. The mark SHARK is not internationally known in favor of the Opposer.
3. The shark devices of the parties are different.
4. The shark device of the Respondents has gained goodwill in their favor in the Philippines not because of the mark SHARK of the Opposer but through Respondents own advertisement, good craftsmanship and superior design of their products.”

On 16 March 2005 the Bureau issued a Notice of Pre-Trial Conference with Invitation to Mediate setting the pre-trial conference on May 9, 2005. During the scheduled pre-trial conference, counsel for Respondents-Applicants failed to appear, so that counsel for Opposer moved that Respondents-Applicants be declared as in default. The pre-trial conference was reset to June 20, 2005 but again counsel for Respondents-Applicants did not appear. Counsel for Opposer was requires by the Hearing Officer to file a written motion ad to their prayer to declare Respondents-Applicants as in default. On July 5, 2005, Opposer filed a Motion to Allow Opposer to Present Evidence Ex Parte. Respondents-Applicants filed an Opposition thereto. On July 27, 2005, the motion of Opposer was denied under Order No. 2005-542. In the meantime, the proceeding of the case was suspended pending the approval of the Summary Rules on Inter Partes Cases. On September 1, 2005, Office Order No. 79 (Summary Rules on Inter Partes Cases) took effect. On October 3, 2005, a Notice to Comply with Office Order No. 79 was issued to the parties directing them to submit all its evidence on accordance 8.1 of the said Office Order. After asking for additional period of time to submit their compliance, Opposer filed the Compliance on December 9, 2005 attaching Exhibits “A” to “RR” while the Compliance of Respondents-Applicants was filed on December 12, 2005 together with Exhibits “1” to “1-x-7”. Immediately after said submission, the Preliminary Conference was set on January 23, 2006. During the scheduled preliminary conference, the parties manifested that they will explore the possibility of an amicable settlement. On March 23, 2006, Opposer informed the Bureau that no compromise agreement was arrived at by the parties. Counsel for Respondents-Applicants did not appear on said date but instead filed a Manifestation that he will be filing the Position Paper within ten (10) days thereafter. On April 3, 2006, Respondents-Applicants filed the Position Paper. On April 28, 2006, the Bureau issued Order No. 2006-639 requiring Opposer to file its Position Paper. In compliance with the Order, Opposer filed the Position Paper on May 15, 2006. Hence, the case is now ripe for decision.

The main issue to be resolved in this case is: Whether or not Respondents-Applicants’ mark “SHARK” is confusingly similar to that of the mark of Opposer.

Section 123.1 (d) (e) and (f) of Republic Act No. 8293, as amended, provides:

“SEC. 123. *Registrability.* – 123.1. A mark cannot be registered if it:

x x x x

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

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

(e) Is identical with or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration and use for identical or similar goods or services; Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant section of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the proceeding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interest of the owner of the registered mark are likely to be damaged by such us.”

The records of this case show that Respondents-Applicants' mark consist the word “SHARK”, which mark comprises stylized letterings arranged in the form of a shark, whereby the lower left and upper right end of the letter “H” is extended outwardly to represent shark fins. Said mark is used for goods under Class 12 such as automobile/car accessories, apparatus namely automobile roof baskets, rear bumpers, stepboards, tire covers, bullbars, automotive seat covers, wind deflectors, window visors, spoilers, side mirror protectors, flog lamps, floor matting, car alarms, backing sensors. Respondents-Applicants' mark was applied for registration on March 1, 2001.

On the other hand, as per evidence submitted, Opposer has an existing registration issued on September 5, 2002 by the Intellectual Property Office under Registration No. 4-1996-113004 of mark “SHARK & DEVICE OF STYLIZED WORD SHARK” (Exhibit “K-K-1”) covering goods under Class 32. Aside from the registration in the Philippines, Opposer's mark is also registered in various countries such as Australia, Austria, South Africa, Japan, Singapore, Thailand, United Kingdom and the U.S.A. to mention a few, and other pending applications for the same mark, all for goods under Class 32 (Exhibit A”, “B”, “C”, “E”, TO “J”) and a registration in Brazil of the said mark under Class 35, 10 & 20 (Exhibit “D”). Likewise, there are also pending applications for the said mark also under the same class (Exhibit “A”).

It appears after an examination of the competing marks of Opposer and Respondents-Applicants that the marks are almost identical to each other. With that, there is no necessity to probe on such matter any further. Instead, the resolution of the case at bar should be reckoned on the nature of the goods where the respective mark is used. As earlier stated, Respondents-Applicants use its mark, which is now subject of opposition on goods falling in Class 12 while Opposer's registered trademark, is used on goods under Class 32. Clearly, the goods or services to which the parties' use their marks belong to different classes.

Basic is the rule that ownership of a trademark or trade name is a right that the owner is entitled to protect. This is supported by Section 138 of Republic Act No. 8293 which states that: “a certificate of registration is a prima facie evidence of the registrant's ownership of the mark, and of the exclusive right to use the same in connection with the goods or service specified in the certificate and those that are related thereto.” Nonetheless, when a trademark is used by a party on a product in which the other party does not deal, the use of a same trademark on the latter's product cannot be validly objected to.

In the case of ESSO STANDARD EASTERN, INC, vs. COURT OF APPEALS, the Supreme Court had the occasion to define *related goods*, to wit:

“Goods are related when they belong to the same class or have the same class or 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. Thus biscuits were held related to milk because they are both food products. Soap and perfume, lipstick and nail polish are similarly related because they are common household items nowadays. The trademark “Ang Tibay” for shoes and slippers and pants were disallowed to be used for shirts and pants because they belong to the same general class of goods. Soap and pomade, although non-competitive, were held to be similar to the same class, since both are toilet articles.”

Applying the above definition of related goods, it is apparent that the goods of the parties are not related. Respondents-Applicants goods do not have the same descriptive properties that the goods of Opposer. Respondents-Applicants goods are used to accessorize automobiles or cars and uses different materials than that of Opposer’s goods. Likewise, the parties’ goods serve different purpose and are sold through different trade channels since Opposer’s goods are usually made available through supermarkets or convenience store while Respondents-Applicants goods are displayed in a specialized store dealing mainly on car/automobile accessories. The goods of the parties are so foreign to each other and it would be unlikely that the gullible or innocent purchaser would confuse or mistake the goods of Opposer to be manufactured by Respondents-Applicants or vice-versa. The mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the trademark by others on unrelated articles of a different kind.

The case of CANON KABUSHIKI KAISHA vs. COURT OF APPEALS is squarely applicable in the instant case where the High Court held that:

“In cases of confusion of business or origin, the question that usually arises is whether the respective goods or services of the senior user and the junior user are so related as to likely cause confusion of business or origin, and thereby render the trademark or tradenames confusingly similar. 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.

Thus, in *Esso Standard Eastern, Inc. vs. Court of Appeals*, this Court ruled that the petroleum products on which the petitioner therein used the trademark ESSO, and the product of respondent, cigarettes are “so foreign to each other as to make it unlikely that purchasers would think that petitioner is the manufacturer of respondent’s goods”. Moreover, the fact that the goods involved therein flow through different channels of trade highlighted their dissimilarity, a factor explained in this wise:

“The products of each party move along and are disposed through different channels of distribution. The (petitioner’s) products are distributed principally through gasoline service and lubrication stations, automotive shops and hardware stores. On the other hand, the (respondent’s) cigarettes are sold in sari-sari stores, grocery store, and other small distributor outlets. (Respondent’s) cigarettes are even peddled in the streets while (petitioner’s) ‘gasul’ burners are not. Finally, there is a marked distinction between oil and tobacco, as well as between petroleum

and cigarettes. Evidently, in kind and nature the products of (respondent) and of (petitioner) are poles apart.” 22

Undoubtedly, the paints, chemical products, toner and dyestuff of petitioner that carry the trademark CANON are unrelated to sandals, the product of private respondent. We agree with the BPTTT, following the Esso doctrine, when it noted that the two classes of products in this case flow through different trade channels. The products of petitioner are sold through special chemical stores of distributors while the products of private respondent are sold in grocery stores, sari-sari stores and department stores. Thus, the evident disparity of the products of the parties in the case at bar renders unfounded the apprehension of petitioner that confusion of business or origin might occur if private respondent is allowed to use the mark CANON.”

In the case of FABERGE, INCORPORATED vs. INTERMEDIATE APPELLATE COURTS, the High Court stated: “judging from the physical attributes of petitioner’s and private respondent’s products, there can be no doubt that confusion or the likelihood of deception to the average purchaser is unlikely since the goods are non-competing and unrelated. The glaring discrepancies between the two products had been amply portrayed to such an extent that indeed, “a purchaser who is out in the market for the purpose of buying respondent’s BRUTE brief would definitely be not mistaken or misled into buying BRUT after shave lotion or deodorant” as categorically opined in the decision of the Director of Patents relative to the inter-partes case.” In the same manner, since the goods of Opposer and Respondents-Applicants is non-competing and unrelated, an unwary or gullible person who wants to buy Opposer’s SHARK energy drink would definitely be not confused or misled into buying instead Respondents-Applicants’ car accessories bearing the mark SHARK. Also, Opposer was not able to prove that it has already extended or has intention to extend his business into the filed of Respondents-Applicants. Moreover, Opposer’s certificate of registration in various countries and its pending applications for the SHARK mark is primarily under class 32.

Lastly, even assuming for the same of argument that Opposer’s mark is well known, still it cannot preclude the registration of Respondents-Applicants mark because the use by Respondents-Applicants of the mark for their goods does not indicate any connection whatsoever with the goods of Opposer.

WHEREFORE, premises considered, the Notice of Verified Opposition filed by Opposer, OSOTSPA CO., LTD. against respondents-applicants ROBERTO C. RONQUILLO and ROBERTO N. ECHEVARRIA is, as it is hereby DENIED. Consequently, the trademark application for “SHARK” bearing Serial No. 4-2001-001479 filed on 01 March 2001 by Respondents-Applicants under Class 12 of the International Classification of goods is, as it is hereby, GIVEN DUE COURSE.

Let the filewrapper of “SHARK” of the instant case be transmitted to the Bureau of Trademarks (BOT) for appropriate action in accordance with this DECISION.

SO ORDERED.

Makati City, 17 July 2006.

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