

TRW INTELLECTUAL PROPERTY CORPORATION,
Opposer,

IPC NO. 14-2008-00121

-versus-

Opposition to:

Serial No. : 4-2006-009328
Filed : 24 August 2006
Trademark : "TRZ (LOGO)"

PRIMAL ENTERPRISES CORP.,
Respondent-Applicant.
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Decision No. 2009-79

DECISION

Before this Office is an Opposition filed by TRW Intellectual Property Corp., a corporation duly organized and existing under the laws of the United States of America, with principal place of business at 12025 Tech Center Drive, Livonia, Michigan, U.S.A., against the application for registration of the trademark "TRZ (LOGO)" for the following:

09	<i>Igniter, ballasts, wire for HID</i>
11	<i>HID (High Intensity Discharge) lamp and halogen bulbs</i>
12	<i>Wheel rim</i>

with Application Serial No. 4-2006-009328 and filed on 24 August 2006 in the name of Respondent-Applicant, Primal Enterprises Corp. with business address at 528 Banawe St., Calamba, SMH, Quezon City, Philippines

The grounds upon which the opposition to the registration of the trademark TRZ were anchored are as follows:

"1. Opponent is the intellectual property holding company of TRW Automotive, Inc., which is a world leader in automotive safety systems and producer of advanced active systems in braking, steering and suspension and sophisticated occupant safety systems for inflatable restraints, seat belts and steering wheels, all bearing the TRW trademark. TRW Automotive has approximately 66,300 employees working in more than 200 TRW production and related facilities in every vehicle producing region around the world. Through its predecessors-in-interest, Opponent has owned, used, and promoted in the course of its businesses, the mark TRW, both in respect of all its goods and as the distinctive and dominant element of its trade name, as well as those of its affiliates, their subsidiaries and facilities around the world, since at least 1965, or for more than four (4) decades now. As a result of the substantial commercial use of the mark and name TRW, in the Philippines and around the world, it has acquired goodwill as a trademark of the Opponent and the relevant segment of the Philippine public has always identified it with the Opponent's products, including braking, steering and suspension systems and sophisticated occupant safety systems for inflatable restraints, seat belts and steering wheels, among others products, as sold and promoted here.

"2. The mark TRW has been as a brand to identify the products sold and manufactured in more than 200 affiliates and subsidiaries around the world, all of which also include TRW as the distinctive element of their trade names. As a trademark, the Opponent's TRW mark has been used, promoted and registered in the Philippines and in 100 other countries worldwide, long before Applicant appropriated the confusingly similar TRZ mark for use in respect of closely related products in Classes 9, 11 and 12.

“3. In the Philippines, the Opponent has obtained the registration of its marks TRW Beam Logo under Reg. Nos. 4-1997-120595, and 4-1997-120594, and 4-1997-120596 covering closely related goods in Classes 9, 12 and 7, all issued on January 8, 2001, long before the opposed application for TRZ was filed on August 24, 2006.

“4. The dominant word element of the Applicant’s trademark TRZ so closely resembles the dominant word element of Opponent’s TRW logo mark, as to be likely, when applied to or used in connection with the Applicant’s closely similar products, to cause confusion, mistake and deception on the part of the purchasing public by misleading them into thinking that Applicant’s products are variants of Opponent’s products, or also emanate from Opponent, or are endorsed, sponsored or licensed by said Opponent.

“5. The registration and use by Applicant of the trademark TRZ in respect of goods closely similar to those covered by Opponent’s registered TRW marks will diminish the distinctiveness and dilute the goodwill of Opponent’s said mark, which is an arbitrary trademark when applied on Opponent’s products.

“6. Applicant adopted the trademark TRZ for goods that are closely similar or identical to those of Opponent with the obvious intention of capitalizing on the worldwide goodwill of the Opponent’s trademark and misleading the public into believing that its related products are variants of Opponent’s products, or also emanate from Opponent, or are endorsed, sponsored or licensed by said Opponent.

“7. The approval for publication of Applicant’s trademark TRZ is based on the representation that it is the originator, true owner and first user of said mark. However, in truth, said mark is merely a colorable imitation of Opponent’s closely similar trademark.

“8. Opponent, through its predecessor in interest, is the first user of the word TRW in commerce. It has used their mark elsewhere and promoted it in the Philippines in respect of its products and services exclusively and extensively for decades.

“9. Opponent’s TRW trademark is a well-known mark. Applicant’s appropriation and use of TRZ as its trademark infringes upon Opposer’s exclusive right to use the distinct TRW trademark and trade name, which is a well-known trademark protected under Section 37 of the old Trademark Law, Sections 123.1 of the Intellectual Property Code (“IP Code”), Article 6bis of the Paris Convention and Article 16 of the Agreement on Trade Related Aspects of Intellectual Property rights to which the Philippines and the United States of America adhere.

“10. The registration of TRZ is also contrary to other provisions of the IP Code, the Paris Convention and the TRIPS Agreement on protection of trade names. Section 165(2)(a) and 165(2)(b) of the IP Code protects Opponent’s TRW trade name even if said trade name from appropriation as a mark by unauthorized parties even if it is not registered here as a trade name of Opponent.

Opposer relied on the following facts and circumstance to support the instant opposition:

“1. Opponent is the first user of the unique TRW trademark, having originated from its predecessor-in-interest and used exclusively on its products since 1965, long before Applicant’s unauthorized appropriation of the closely

similar mark TRZ. Opponents have been commercially using the TRW trademark, through its presence, substantial sales, advertising and promotion of services and products identified by the mark, in many countries around the world for more than forty years, long before the appropriation and the filing of the application for the registration of the Applicant's mark TRZ.

"2. Opponent is the prior registrant of the TRW trademark around the world and in the Philippines. Opponent has registered or applied for the registration of its said trademark in respect of goods in Classes 9, 11 and 12, among others, I over 100 intellectual property offices around the world, which products are very similar to those sought to be covered by Applicant's mark.

"3. Opponent's mark TRW is an arbitrary trademark and is entitled to broad legal protection against unauthorized users like Applicant who has appropriated the confusingly similar TRZ mark for use in respect of related goods.

"4. Applicant has appropriated the confusingly similar TRZ trademark for the obvious purpose of capitalizing upon the renown of Opponent's self-promoting trademark by misleading the public into believing that its closely related goods are variants of Opponent's products, or also emanate from Opponent, or are endorsed, sponsored or licensed by said Opponent for the following reasons:

- i) "The trademarks are closely and confusingly similar,
- ii) "Applicant's unauthorized appropriation and use of TRZ will dilute Opponent's goodwill and reputation among consumers.
- iii) "Applicant intends to use the confusingly similar TRZ mark for its goods as a self-promoting trademark to gain public acceptability through its association with Opponent's TRW trademark, which is used on its closely similar products.
- iv) "Applicant's use of TRZ for its goods indubitably established a connection with the Opponent because these goods are very similar or related to the goods covered and identified by Opponent's TRW trademarks.
- v) "Applicant intends to trade, and it trading on, Opponent's goodwill.

"5. The registration and use of an identical trademark by Applicant will diminish the distinctiveness and dilute the goodwill of Opponent's TRW trademarks.

The Notice to Answer dated 26 June 2008 was personally served to Respondent-Applicant through its Counsel, Atty. Jorge Cesar M. Sandiego, on 10 July 2008. For failure of the Applicant to file an Answer within the prescribed period or within the extended period granted by virtue of Order No. 2008-1454, this Bureau in Order No. 2009-785 dated 07 May 2009, declared Respondent-Applicant to have waived its right to file the verified answer and accordingly, this Bureau resolved to submit the case for decision.

Filed as evidence for the Opposer, based on the records, are the following:

1. Verified, notarized and legalized notice of opposition - *Annex "A"*
2. Notarized and legalized evidentiary affidavit of its witness and supporting evidence - *Exhibits "A" to "D"*

3. Notarized and legalized power of attorney authorizing the undersigned counsel to file and prosecute the opposition - Annex "B"
4. Notarized and legalized certificate of incumbency issued by the Corporate Secretary of the Opposer attesting to the capacity of the signatory of the power of attorney and verification of the notice of opposition - Annex "C"

For consideration in particular is the propriety of Application Serial No. 4-2006-009328. Resolution by this Office is called for on the following issues:

1. Whether or not there is confusing similarity between Opposer's TRW under Classes 07, 09, 11 and 12, to wit:

09	<i>Igniter, ballasts, wire for HID</i>
11	<i>HID (High Intensity Discharge) lamp and halogen bulbs</i>
12	<i>Wheel rim</i>

2. Whether or not Respondent-Applicant's trademark application for the mark TRZ (LOGO) should be granted registration.

A cursory of paragraph (d), Section 123.1 of R.A. 8293 with emphasis on identicalness and/or confusing similarity of the marks in question states that:

"Section 123. Registrability. – 123.1. A mark cannot be registered if it:

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(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;"*

xxx

In the preceding section, well-settled is the rule that an identical or confusingly similar mark cannot be registered. Opposer filed the application for its trademark TRW BEAM (LOGO) under Classes 07, 09 and 12 on 14 May 1997 under Application Serial Nos. 41997120594, 41997120595 and 41997120596 respectively (*Exhibits "B" to "D", Opposer*), for the following:

07	<i>Original or replacement parts for vehicles, namely engine pistons and pistons rings</i>
09	<i>Original or replacement parts for vehicles, namely relays, dimmers and timers, and electronic and optoelectronic monitors and sensors and sensor displays, switches and engine and vehicle control units and parts therefor.</i>
12	<i>original or replacement parts for vehicles, namely engine valves and parts thereof and cylinder sleeves, steering systems comprising manual and power rack and pinion steering gears, hydraulic recirculating ball steering gears, manual worm and roller steering gears, manual cam and lever steering gears,</i>

	<i>hydraulic valves and actuators, and hydrostatic steering controllers; and chassis components, namely steering and suspension links, steering and suspension joints, steering columns and suspension springs; and occupant restraint systems comprising manual and automatic seat belts and parts thereof and inflatable occupant restraints and parts thereof.</i>
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Respondent-Applicant, on the other hand, applied for the registration of the mark TRZ (LOGO) on 24 August 2006 for the following goods:

09	<i>Igniter, ballasts, wire for HID</i>
11	<i>HID (High Intensity Discharge) lamp and halogen bulbs</i>
12	<i>Wheel rim</i>

under Application Serial No. 4-2006-009328. Although Opposer has shown prior application and registration thereof, were the evidence sufficient to prove confusing similarity in both trademarks?

The issue stems or springs from Respondent-Applicant's appropriation of the mark TRZ (LOGO) which is substantially similar vis-à-vis Opposer's trademark, TRW BEAM (LOGO). Certainly, there can be no doubt in the similarity of the first two (2) letters, T and R in an all-consonant logo for both marks. The two competing marks are reproduced for purposes of comparison:



Opposer's TRW BEAM LOGO
Registration No. 41997120596



Respondent-Applicant's TRZ (LOGO)
Application No. 42006009328

It can easily be observed from the foregoing that Respondent-Applicant adopted not only the printing style of Opposer's TRW BEAM LOGO, including the distinct script applied in printing the capital letters T and R, in a slant manner, or more specifically with the bold letters T and R that are conspicuously or markedly inclined to the right, was copied as well. Hence, comparing both marks in plain view there certainly is obvious similarity. Anyone is likely to be misled by Respondent TRZ (LOGO)'s close resemblance to Opposer's trademark TRW BEAM LOGO used and not abandoned by Opposer and applied on the same automobile parts and accessories all falling under Classes 09, 11 and 12. The subject mark applied for, TRZ (LOGO) and Opposer's TRW BEAM LOGO trademark as they appear on the goods of the contending parties readily manifest the glaring similarities. The marks at issue have adopted a logo using similar consonant content. To create some variations which is not significantly distinctive, Respondent-Applicant's mark used the letter Z in place of the letter W but the printing style, the adoption of a logo with the same consonant element are the same or in close resemblance to Opposer's TRW BEAM LOGO, as can be gleaned from the formal drawing and facsimiles submitted by the Applicant. Hence, Respondent's mark TRZ (LOGO) lacks the element of originality to be sufficiently distinctive. The court observed in *Philippine Refining Co., Inc., vs. Dir. Of Patents and Sparklets Corp. vs. Walter Kidde Sales Co.*, 104 F. 2d 396, that "a trademark is designed to identify the user. But it should be so distinctive and sufficiently original as to enable those who come into contact with it to recognize instantly the identity of the user. It must be affirmative and definite, significant and distinctive, capable to indicate the origin." Likewise, trademark law does not require identity, confusion is likely if the resemblance is so close between two trademarks. Bolstering this observation is the pronouncement by the court in the case of *Forbes, Munn & Co. (Ltd.) vs. Ang San To*, 40 Phil. 272, 275 where it stated that *the test was similarity or "resemblance between the two (trademarks) such as would be likely to cause the one mark to be mistaken for the other. . . . [But] this is not such similitude as amounts to identity."*

The right to register trademarks, trade names and service marks is based on ownership. Only the owner of the mark may apply for its registration (*Bert R. Bagano v. Director of Patents, et al.*, G.R. No. L-20170, August 10, 1965). And where a trademark application is opposed, the Respondent-Applicant has the burden of proving ownership (*Marvex Commercial Co., Inc. v. Peter Hawpia and Co.*, 18 SCRA 1178). In the instant case, from an array of evidence submitted by Respondent-Applicant to prove its entitlement for registration of the mark TRZ (LOGO) for use on automobile parts and accessories under Classes 09, 11 and 12, no single proof equivocably showed priority either in registration or application in the Philippines or abroad.

Moreover, it may well be worthy to note that Opposer obtained registrations of the trademark TRW BEAM LOGO on automobile parts and accessories in 2001 and these registrations are subsisting and have not been abandoned. Hence, Respondent-Applicant, by any parity of reasoning, cannot be considered an originator, prior registrant nor a prior applicant of the subject or questioned trademark.

Having thoroughly discussed and resolved issues on confusion and priority in application and registration, we shall now be delving on the goods involved.

Confusion is likely and/or inevitable when identical or similar marks are applied on similar goods. There is no need to lengthily discuss when the goods involved are those mentioned under Classes 09 and 12 as both parties sell the same automobile parts and accessories. Anent those goods of Respondent-Applicant under Class 11 specifically for HID (High Intensity Discharge) lamp and halogen bulbs, while specifically different to those goods enumerated under Classes 09 and 12, nonetheless they are goods that the products of Respondent-Applicant under Classes 09 made reference to when Applicant included "*wire for HID (High Intensity Discharge)*". Under these circumstances, the goods are related. By their being basically automobile parts and accessories, they can be marketed similarly. The goods involved may flow through the same channels of trade. The Supreme Court in *Eso Standard Eastern, Inc. vs. Court of Appeals, et. al*, 201 Phil 803, defined what are essentially related goods under the trademark law as:

"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, biscuits were held related to milk because they are both food products." (Emphasis supplied).

Opposer is the registered owner, originator, prior applicant and user of the trademark TRW BEAM LOGO for use on automobile parts and accessories. The use and adoption by Applicant of the mark as subsequent user can only mean that Applicant wishes to reap on the goodwill, benefit from the advertising value and reputation of Opposer's TRW BEAM LOGO trademark.

In the case of *American Wire & Cable Co. vs. Director of Patents*, 31 SCRA 544, it was observed that:

"Why of the million of terms and combination of letters and designs available the appellee had to choose a mark so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark"

Moreover, this Bureau cannot take for granted the inaction of Respondent-Applicant in defending its claim over the mark TRZ (LOGO). Such inaction of Respondent-Applicant is evidenced by its failure to file its Answer despite receipt of the Notice to Answer the Notice of Opposition, contrary to the disputable presumption that "a person takes ordinary care of his concern", enunciated in Section 3(d) of Rules of Court.

It was the Respondent-Applicant's option not to defend its case, contrary to the declared policy of the Supreme Court to the effect that "it is precisely the intention of the law to protect only the vigilant, not those guilty of laches."

Finally, as provided for under Sec. 230 of R.A. 8293, otherwise known as the Intellectual Property Code of the Philippines:

"Sec. 230. Equitable Principles to Govern Proceedings. – In all inter partes proceedings in the Office under this Act, the equitable principles of laches, estoppel, and acquiescence where applicable, maybe considered and applied."

As defined in the dictionary, laches means "slackness or carelessness toward duty or opportunity or neglect to do a thing at the proper time."

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, application bearing Serial No. 4-2006-009328 filed by Primal Enterprises Corp. on 24 August 2006 for the registration of the mark "TRZ (LOGO)" for use on automobile products falling under classes 09, 11 and 12 is, as it is hereby REJECTED.

Let the filewrapper of TRZ (LOGO), subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, June 24, 2009.

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