

WINTRADE INDUSTRIAL SALES CORP.,  
Opposer,  
- versus -

IPC 14-2004-00159

Opposition to:  
TM Application No. 4-1994-096820  
(Filing Date: 02 December 1994)

FLOWIL INTERNATIONAL  
LIGHTING (HOLDING) B.V.,  
Respondent-Applicant.

TM: "SYLVANIA"

x-----x

FLOWIL INTERNATIONAL.,  
LIGHTING (HOLDING) B.V  
Opposer,  
- versus -

IPC 14-2005-00017

Opposition to:  
TM Application No. 4-2003-001322  
(Filing Date: 13 February 2003)

WORLDTRADE, INC.  
Respondent-Applicant.

TM: "SYLVANIA"

x-----x

Decision No. 2007 – 72

## DECISION

This an opposition to the registration of the mark "SYLVANIA" bearing application No. 4-1994-096820 filed on December 2, 1994 covering the goods "apparatus and installation for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, fluorescent light tubes, light bulbs, lamps, arc lamps, lamp glasses, lamp hanging supports, lamp reflectors, lamp shades, luminous tubes for lighting, sockets for electric lights, torches, search light, lights for automobiles, light for attracting and killing insects, device for heating insect repelling substances, parts and fitting, falling under class 11 of International Classification of goods which application was published for opposition on page 172 of Volume VII, issue No. 7 of the official Gazette and officially released for circulation on November 4,2004.

The Opposer-Assignee in the instant Opposition is "WINTRADE INDUSTRIAL SALES CORPORATION", a corporation duly organized and existing under Philippine laws with business address at 2366 Leon Guinto St., Malate, Manila Philippines.

Respondent-Applicant on the other hand is "FLOWIL INTERNATIONAL LIGHTING (HOLDING) B.V.", a corporation duly organized under the law of the Netherlands, with address at Audeweg 155,2031 CC Harlem, The Netherlands.

The grounds of the opposition are as follows:

- "1. The registration of trademark SYLVANIA in favor of Respondent-Applicant Violates Section 4 (d) of Republic Act No. 166 as amended, as the mark SYLVANIA is identical to the trademark SYLVANIA registered in favor of Opposer and which it has been using for various articles falling under Classes 9 and 11.
- "2. Respondent-Applicant is not entitled to register the trademark "SYLVANIA" in its favor under the provisions of Republic Act No. 166, as amended.
- "3. The registration of the trademark SYLVANIA in the name of Respondent-Applicant will cause grave and irreparable injury and damage to the Opposer.

Opposer relied on the following fact:

- “1. The trademark SYLVANIA of Respondent-Applicant is identical to the trademark SYLVANIA registered in favor of Opposer under Registration No. 65433 issued December 17, 1997, a copy of which is hereto attached as Annex “A” and made an integral part hereof.
- “2. Opposer started using in lawful commerce in the Philippines the trademark SYLVANIA on June 1, 1988 and continuously up to the present.
- “3. In addition to the goods covered by Registration No.65433. Opposer has extended the use of the trademark SYLVANIA to other goods belonging to Classes 9 and 11.
- “4. On September 28, 1999, Opposer filed Trademark Application Serial No. 7376 for registration of the trademark SYLVANIA for use on electric bulbs, fluorescent tubes, starter, ballast, insulating materials, floodlight, spotlight, par 38, dichotic halogen, PI tubes.
- “5. On February 13, 2003, because of the abandonment of Application Serial No. 7376 due to oversight, Opposer filed Application Serial No. 4-2003-0001322 for registration of the trademark SYLVANIA. A copy of Application Serial No. 4-2003-0001322, including its Notice of Allowance and Payment of Publication Fee is hereto attached and marked collectively as Annex “B” and made integral part hereof.
- “6. On April 20, 2001, Opposer also filed Application Serial No. 4-2001-0002796 for the registration of the trademark SYLVANIA for use on bulbs and batteries, a copy of which is hereto attached as Annex “C” and made an integral part hereof.
- “7. The registration and use of the trademark SYLVANIA by Respondent-Applicant will cause confusion or mistake or deceive purchasers who will tend to believe that Respondent-Applicant’s goods are those of, or coming from, the Opposer.
- “8. Products bearing the trademark SYLVANIA of Opposer have been in commercial use in the Philippines for more than sixteen (16) years as a result of which immense and tremendous goodwill has been built over said mark.
- “9. Opposer’s business and goodwill resulting from continuous use of trademark SYLVANIA will be damaged and will suffer injury with registration in favor of Respondent-Applicant of the trademark SYLVANIA consumers will likely assume that Respondent-Applicant products are also made by, and come from, Opposer.

Meanwhile Worldtrade, Inc., filed application for the registration of the mark SYLVANIA bearing application for the registration No. 4-2003-001322 filed on February 13, 2003 for goods “electric bulbs, fluorescent tubes, starter, ballast, lightning fixtures, floodlight, spotlight , par 38, dichroic halogen, PL tubes”, falling under Class 11 of the International Classification of goods, which application was published for the opposition in the Official Gazette issued by the Intellectual Property Philippines (IPP) on January 10 2005.

The Opposer in the instant opposition case docketed an Inter Partes Case No. 14-2005-00017 is “FLOWIL INTERNATIONAL LIGHTING (HOLDING)B.V.” a corporation duly organized and existing under the laws of the Netherlands, with address at Audeweng 155,2031 CC Haarlem, the Netherlands.

On the other hand, the Respondent-Applicants is “WORLDTRADE, INC.” a corporation organized and existing under the Philippine Laws, with address at 105 J.B. Roxas Street, Malate, Manila.

The grounds for the opposition are as follows:

- “1. Opposer is the owner of the trademark “SYLVANIA”, which is the subject of an earlier trademark application in the Philippines bearing Serial No. 4-1994-0968230 filed as early as December 2, 1994, covering International Class 11 for the goods “Apparatus and Instillation for lighting, heating , steam, generating, cooking, refrigerating, dying, ventilating, water supply and sanitary purposes; fluorescent light tubes, light bulbs, lamps; electric discharge tubes for lighting; lamp casings; lamp glasses; lamp hanging supports; lamp reflectors; lampshades; luminous tube for lightning; sockets for electric lights; lights for automobiles; light for attracting and killing insects; devices for heating insects repelling substances; parts and fitting for any of the aforesaid goods.
- “2. In addition, Opposer entered into distributorship agreements with certain local companies as early as 1983, providing therefore that the trademark SYLVANIA” has been in commercial use by Opposer in the Philippines for some time now.
- “3. Registration of the mark “SYLVANIA” in the name of Respondent-Applicant would violate the pertinent provision of Republic Act No. 8293 (Intellectual property Code), hereunder quoted follows:

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

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

- (i) The same good or services; or
- (ii) Closely related goods or services; or
- (iii) If nearly resembles such 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 International 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 used for identical or similar goods or services: Provided that determining whether a mark is well-known, an account shall be taken of the knowledge of the relevant sector 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.”

Opposer’s trademark application in the Philippines covers the same goods as that of the Respondent-Applicant’s. Moreover, Respondent-Applicant’s mark SYLVANIA closely resembles Opposer’s mark SYLVANIA. This gives rise to a confusing similarity between the two marks which will cause confusion and even deception among the consuming public as the origin of Respondent-Applicant’s goods, the prejudice Opposer.

- “4. Opposer’s trademark “SYLVANIA” should be afforded the protection under the law given to well-known trademarks, there for should be given preference and priority over and against Respondent-Applicant’s mark “SYLVANIA” which is clearly just a copy of Opposer’s well-known trademark “SYLVANIA”.
- “5. Respondent-Applicant’s mark “SYLVANIA” is flagrant and veritable imitation of Opposer’s well-known trademark “SYLVANIA” that would likely cause confusion, mistake and deception to the buying public. Confusion between Opposer’s and

Respondent-Applicant's respective business and product as well as dilution and lost of distinctiveness of Opposer's trademark are inevitable.

- "6. Opposer's trademark has acquired goodwill in various jurisdictions. Obviously, Respondent-Applicant is merely riding on the popularity and goodwill of Opposer's trademark. Thus, Opposer's rights under the provisions of Intellectual Property Code (IP Code) and The Paris Convention on the Protection of Industrial Property must be protected.

On June 5, 2005, Respondent-Applicant filed its Answer top the Verified Notice of Opposition admitting some of the allegations and denying all others.

Respondent-Applicant further alleged the following special and affirmative defenses.

- "1. Respondent-Applicant is the registered owner of the trademark SYLVANIA under Registration No. 65433 issued on 17 December 1997.
- "2. Respondent-Applicant started using in lawful commerce in the Philippines the trademark SYLVANIA ON June 1, 1988 and continuously up to the present;
- "3. In addition of the goods covered by the Registration No. 65433 Respondent-Applicant has extended the use of trademark SYLVANIA to other goods belonging Classes 9 and 11.
- "4. On September 28, 1999, Respondent-Applicant filed trademark Application No. 7376 for the registration of the trademark SYLVANIA for use of electric bulbs, fluorescent, ballast, Insulating material, floodlight, spotlight, par 38, dichroic halogen, PL tubes.
- "5. On February 13, 2003, because of the abandonment of Application Serial No. 7376 due to oversight, Respondent-Applicant filed Application Serial No. 4-2003-0001322 for the registration of the trademark SYLVANIA
- "6. Earlier, on April 20, 2001, Respondent-Applicant also filed Application Serial No. 4-2001-0002796 for the registration of trademark SYLVANIA for use on bulbs and batteries;
- "7. Respondent-Applicant adopted subject mark in good faith as an extension of its Registration No. 65433 and in view of the popularity and/or goodwill acquired by its mark covered thereby;
- "8. The subject application was filed in good faith and its examination and approval for publication was in accordance with the Intellectual Property Code of the Philippines and its Implementing Rules and Regulations.

Considering that the two cases involved the same parties and the subject matter are likewise the same, these two cases were consolidated.

During the pre-trial conference, the parties were encouraged to find way of settling the case amicably. They were given sufficient time to discuss the possibility of an amicable settlement, but at the end, no compromise agreement has been reached.

On October 14, 2005, the Bureau of Legal Affairs issued a Notice to Comply with Office Order No. 79, Series of 2005.

On November 5, 2005, Opposer/Respondent-Applicant filed a manifestation wherein the parties in these cases have agreed in principle to settle these cases and submit the

corresponding compromise agreement, however, the need for additional time within which to finalize and submit said compromise agreement has been granted.

Order No. 2005-1054 was issued and the parties were given until January 18, 2006 to submit the compromise agreement.

On November 9, 2006, Respondent-Applicant through counsel filed a manifestation with the information that the parties despite earnest efforts, were not able to come to a compromise agreement, hence they opted to comply with Office Order No. 79, Series of 2005.

On November 22, 2005, Respondent Flowil International lighting (Holding) B.V. filed its compliance to Office Order No. 79, Series of 2005 and submitting the following as its evidences in support of its Notice of Opposition, the following exhibits:

Exhibit(s)	Description
Exhibit "1"	A duplicate copy of Opposer's application for trademark registration of the mark "SYVANIA" filed on 2 December 1994
Exhibit "2"	A duplicate copy of the Verified Opposition filed by Opposer on May 10, 2005
Exhibit "3"	A duplicate copy of Securities and Exchange Commission (SEC) Certificate of Corporate Filing/Information dated 07 June 2006.
Exhibit "4"	A duplicate copy of Worldtrade, Inc.'s Certificate of Registration No. 65433 with registration date 17 December 1997.
Exhibit "5"	Duplicate copy World trade, Inc.'s abandoned Trademark Application No. 4-1999-07376 for the mark SYLVANIA for class 11 goods filed on September 28, 1999
Exhibit "6"	A duplicate copy of Worldtrade, Inc.'s Trademark Application No.4-2003-001322 for the mark SYLVANIA for class 11 goods re-filed 13 February 2003
Exhibit "7" to "7-E"	Duplicate copies of Sales Invoices Nos.7102, 22527,7399,7744,8065 and 26688, covering Opposer's SYLVANIA products sold to Choathiansiu Corporation for the year 1991 to 1993.
Exhibit "8" to "8-E"	Duplicate copies of Sales Invoices Nos. 6920, 7112,7565,7931,8397 and 111293, covering Opposer's SYLVANIA product sold to Pointer Enterprises, Inc., for the year 1991 to 1993.

On November 6, 2006, Worldtrade, Inc., on the other hand, in compliance to Office Order No. 79, Series of 2005, submitted the following evidences:

Exhibit(s)	Description
Exhibit "A"	Duly notarized affidavit of Mr. Chester Uy Co. Vice-President for Sales and Marketing of Worldtrade, Inc.
Exhibit "B"	Certified copy of Certificate of Registration No. 65433 for the trademark SYLVANIA issued in favor of Worldtrade, Inc., on December 17, 1997
Exhibit "C"	Certified copy of Application Serial No. 4-1999-07376 for the registration of the trademark

	SYLVANIA filed on September 28, 1999 by Opposer Worldtrade, Inc.,
Exhibit "D"	A certified copy of Application Serial No. 4-2003-001322 for the registration of the trademark SYLVANIA filed on February 13, 2003 by Opposer Worldtrade, Inc.,
Exhibit "E"	Copy of Application Serial No. 4-2001-002796 for the registration of the trademark SYLVANIA filed on April 20, 2001 by Opposer, Worldtrade, Inc.,

The exhibits submitted by the Respondent-Applicant as mentioned do not comply with Section 8.1 of Office Order No. 79, Series of 2005, which provides:

Section 8. Answer. - 8.1. Within three (3) working days from receipt of the Petition or opposition, the Bureau shall issue an order for the Respondent to file an answer together with the affidavits of witnesses and the originals of documents, and at the same time shall notify all parties required to be notified in the Intellectual Property Codes (IP Codes) and these Regulations, provided that in case of public documents, certified true copies may be submitted in lieu of the originals. The affidavits and document shall be marked consecutive as "exhibit" beginning with the number "1".

The main issue to be resolve in this particular case is:

WHO BETWEEN RESPONDENT-APPLICANT WORLTRADE, INC.,  
AND FLOWIL INTERNATIONAL LIGHTNING (HOLDING) B.V. IS ENTITLED TO  
REGISTER THE TRADEMARK "SYLVANIA" IN ITS FAVOR FOR THE GOODS  
FALLING UNDER CLASS 11 OF THE INTERNATIONAL CLASSIFICATION OF  
GOODS?

To be taken into consideration is the fact that subject trademark application bearing Serial No. 4-1994-96820 for the mark "SYLVANIA" covering the goods under class 11 of the International Classification of goods and subject of the instant opposition filed by Worldtrade, Inc., was filed on December 2, 1994 and the law governing trademark opposition at that time is Republic Act No. 166, as amended.

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

Section 4. Registration of trademarks, trade names and service marks on the principal register. – There is hereby established, 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 other shall have the right to register the same on the principal register, unless it:

(d) Consist of or comprises a mark of 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 mistakes or to deceive purchasers.

A comparison of the competing marks of the parities as illustrated below, clearly show that they are the same or identical both in spelling, pronunciation and composition of letters.



As registered under  
Wintrade Industrial Sales  
Corporation  
(Opposer-Assignee)  
Registration No. 65433



As applied for by the  
Respondent-Applicant  
Flowil International Lighting  
(Holding) B.V.  
Application No. 4-1994-096820



As registered under  
Worldtrade, Inc.,  
Application No. 4-1999-07376  
Exhibit "C"



As registered under  
Worldtrade, Inc.,  
Application No. 4-2001-002796  
Exhibit "E"



As applied under  
Wintrade Industrial Sales  
Corporation  
Opposer-Assignee  
Application No. 4-2003-1322

A practical approach to the problem of similarity or dissimilarity is to go into the whole of trademarks pictured in their manner of display. Inspection should be undertaken from the viewpoint of prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of trademark said to be infringed. (87C.J.S pp.288-291) Some factors as sound appearance; form, style, shape, size or format; color, ideas connoted by the marks; the meaning spelling and pronunciation of word used, and the setting in which word appear" may be considered. (87 C.J.S. pp. 291-292) For indeed, trademark infringement is a form of unfair competition. (Clarke vs. Manila Candy Co., 36 Phil 100, 1006; Co. Tiong Sa vs. director of Patents, 95 Phil. 1, 4).

Confusion is likely between trademarks only if their over-all presentations any of the particulars of sound, appearance or meaning are such as would lead the purchasing public into believing that the products to which the marks as applied emanated from the same source.

In the present case, the competing trademarks are the same or identical in spelling, pronunciation, composition of letters as well as in meaning.

Records will show that then Opposer Wintrade Industrial Sales Corporation has a certificate of registration for the mark "SYLVANIA" bearing Registration No. 65433 issued on December 17, 1997 and started using it in lawful commerce in the Philippines on June 1, 1988 and continuously up to present as shown by the affidavit on use filed on February 7, 2003 following the fifth (5<sup>th</sup>) anniversary of Registration No. 65433 (Annex "B") and the Declaration of Actual Use filed on January 26, 2006 in connection with Opposer's application bearing Serial No. 4-2003-001322 (Annex "C").

On the other hand, the Respondent-Applicant's mark "SYLVANIA" bearing Serial No. 4-1994-096820 filed on December 2, 1994 for registration is based on home registration under Section 37 of Republic Act No. 166, as amended, in effect not based on use in commerce in the Philippines. In its effort, it established mere photocopies of sales invoices which do not comply with Section 8.1 of Office Order No. 79, Series of 2005, being mere photocopies and not properly identified.

The remaining issue to be resolved is who between the Respondent-Applicant and the Opposer is the first to actually adopt and use the mark "SYLVANIA" in commerce in the Philippines?

A fundamental principle of Philippine Trademark Law is that actual use in the commerce in the Philippines is a pre-requisite to the acquisition of ownership over a trademark or trade-name.

The right to exclusive use of a trademark grows out of its actual use (CIA General de Tobacco vs. Alhambra Cigar & Cigarettes Manufacturing Co., 38 Phil. 485) and does not depend upon the registration thereof.

Exclusive right to a trademark is a creation of use." (Sterling Products International, Inc., vs. Farbenfabriken Bayer Aktiengesellschaft, L-19906, 27 SCRA 1214.

The evidence on record will clearly show that it was Opposer. Wintrade Industrial Sales Corporation which first adopted and use the mark "SYLVANIA" in commerce in the Philippines as early as June 1, 1988 (Annex "B" and Annex "C") as indicated in its Registration No. 65433 issued on December 17, 1997 (Exhibit "B") of which Affidavit of use following the 5<sup>th</sup> anniversary of the registration was filed on February 7, 2003 (Annex "B") and the Declaration of Actual Use filed on January 26, 2006, In connection with Opposer's Application No. 4-2003-001322 (Annex "C").

Section 138 of the Intellectual Property Code of the Philippines, Republic Act No.8293, Provides:

Section 138 Certificate 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 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 relate thereto specified in the certificate. (Section20. Republic Act No. 166)"

Section 124.2 of the Intellectual Property Code of the Philippines, Republic Act No. 8293, provides:

"The applicant or the registrant shall file a declaration of actual use of the mark with evidence to that effect, as prescribed by the Registrations within three (3) years from filing the date of application. Otherwise the application shall be refused or the mark shall be removed from the Register by the Director."



In the implementation of said provisions of law, Rules 204 and 205 of the Rules on Trademarks, service marks, trade names and marked or stamped containers respectively provides (Trademarks Rules):

The office will not require any proof of use in commerce in the processing of trademark applications. However, without need of any notice from the Office, all applicants or registrants shall file a declaration of actual use of the mark with evidence to that effect within three (3) years without possibility of extension from the filing date of the application. Otherwise, the application shall be refused or the mark shall be removed from register by the Director *motu proprio*.”

The declaration of actual use shall be under oath, must refer only to one application or registration, must contain the name and address use in the Philippines, list the goods where the mark is attached; list the names and exact location or locations of the outlets where the products are being sold or where the services are being rendered, recite sufficient facts to show that the mark described in the application or registration is being actually used in the Philippines and specifying The nature of such use. The declarant shall attach five (5) labels actually used on the goods or the picture of the stamped or marked container visibly and legibly showing the mark as well as proof of payments of the prescribed fee.”

It appears that the Declaration of Actual Use filed by the Opposer in connection with its application bearing Serial No. 4-2003-001322 on January 26, 2006 (Annex “C”) has been acted upon positively / Granted by the Director of Trademarks such accorded the presumption of regularity and which presumption subsist until and unless the Director of the Bureau of Trademarks refuses and registration of the application. Use by the herein Opposer of the said trademark is presumed and the presumption subsist as the trademark Director has not yet refused and said application.

It is to be noted moreover, that is not only within discretion but also, more importantly, within the jurisdiction of the trademark Director to pass upon the merits or sufficiency of a declaration of actual use. The Director of the Bureau of Legal Affairs may not delve into either the merits or sufficiency of the declaration of actual use as the “Director” referred to in Section 124.2 of the intellectual Property Code of the Philippines and Rule 204 of the Trademark Rules refer to the trademark “Director” not the Bureau of Legal Affairs Director. This is clearly spelled out by the “Director General” in its Decision in an appeal of the Bureau of Legal Affairs Director’s Order in the case “TECHNOGAS S.P.A vs. TECHNOGAS (PHIL) MFG., CORP., (Appeal No. 14-06-01). In contrast, the Respondent-Applicant, Flowil International Lighting (Holding) B.V., did not introduce competent evidence to prove that its trademark is being used in the commerce in the Philippines.

In one of the cases decided by the Supreme Court it discussed the two types of confusion in trademark infringement. The first is “confusion in goods” when an otherwise prudent purchaser is induced to purchase one belief that he is purchasing another in which case defendant goods are then bought as the plaintiff’s and a poor quality reflects badly on the plaintiff’s reputation. The other is “confusion of business” wherein the goods of parties are different but the defendant’s product can be reasonably (though mistakenly) be assumed to originate from the plaintiff, thus deceiving the public into believing that there is some connection between the plaintiff and defendant which, in fact does not exist. (*Mighty Corporation vs. E&J Gall winery*, G.R. No. 154342, July 14, 2004).

WHEREFORE, with all the foregoing, the opposition filed by Opposer-Assignee Wintrade Industrial Sales Corporation is hereby SUSTAINED. Consequently, application bearing Serial No. 4-1994-096820 filed by Flowil International Lighting (Holding) B.V. for the mark “SYLVANIA” is hereby REJECTED.

On the other hand, the opposition filled by Flowil International Lighting (Holding) B.V. to the application for the registration of mark "SYLVANIA" bearing Serial No. 4-2003-001322 filed on February 13, 2003 by Wintrade Inc., is hereby DENIED Consequently, this application bearing Serial No. 4-2003-001322 is hereby GIVEN DUE COURSE.

Let the filewrappers of trademark "SYLVANIA" 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, 07 June 2007.

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