



VOOZ Co. Ltd.,

*Petitioner,*

-versus-

MICHAEL KENNETH S. CO

*Respondent-Registrant.*

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IPC NO. 14-2008-00302

Case Filed: 18 November 2008

Cancellation of:

Reg. No. 4-2003-011091

Date Issued: 22 January 2007

Trademark: "PUCCA  
AND LOGO"

Decision No. 2012-40

### DECISION

VOOZ CO., LTD. ("Petitioner")<sup>1</sup>, filed on 03 December 2003 a petition to cancel Trademark Registration No. 4-2003-011091. The assailed registration, issued to Michael Kenneth S. Co. ("Respondent-Registrant")<sup>2</sup> on 22 January 2007, covers the mark "PUCCA AND LOGO" for use on *"paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding materials; artists' tools and materials; paint brushes; typewriters and office requisites; instructional and teaching materials; plastic materials for packaging (not include in other classes); playing cards; printers' type; printing blocks; calendars, books, catalogues, postcards, posters, periodicals, printed publications, newspapers and magazines; greeting cards; writing instruments; rubber stamps; stamps and seals; stamp pads; ink pads; photo albums; mats for framing paintings, pictures or photographs; painters; easels; oil blotting paper for skins; photograph stands; inks; tissues, toilet paper, napkins of paper removing make-up; paper towels; place mats and coasters of paper cardboard; packing paper; wrapping paper and packaging materials; artists' water colours; graphic reproductions, portraits; lithographs; pens, pencils, fountain pens, ball pen; pen nibs; pen holders; pencil holders; refill for pens and writing instruments; pencil leads; colour pencils, crayons, pen and pencil cases; pencil sharpeners; pencil sharpening machines; paper clips; paper weights; paper pins, drawing pins; pastels; pastes and glues for stationery and household purposes; papier mache; letter trays and racks; letter holders; letter openers; office requisites; adhesive tapes and adhesive tapes dispensers; drawing materials, boards, pens and instruments; drawing sets; stamp and coin albums; bags and envelopes; blotters; bookends, book marks; book-markers; cabinets for stationery; canvas for painting; note books, diaries; files; writing pads, memo pads, writing paper; drawing paper; writing cases; chalks, blackboards, poster boards; passport holders; cheque books holders; elastic bands; pictures; photo frames, picture frames; stencils; erasing products, erasers, erasing gluidsl electric letter openers; sheet music; wipe-off*

<sup>1</sup> a corporation duly organized and existing under the laws of Korea, with principal office address at 1F-2F Chungbo Building, 652-7, Yeoksam 1-Dong, Gangnam-Gu, Seoul, Korea,


<sup>2</sup> with business address at 13 Malugay Street, United Paranaque I, Paranaque City,

*boards; ornaments and decoration made of paper and/or cardboard; issue paper; paper napkins; lunch bags; cardboard trunks and cases; coloring books; report files; binder paper; pocket notebooks; felttipped pens; book band; black lead pencil sets; colour pencil sets; rulers; writing mats; autograph books; clips; staplers; tape cutters; caution signs; shredders; plastic coating machine and apparatus; electric heat-sealing protective wrapping mounting apparatus for documents and photographs; card holders and cases; decorations of paper for lunch boxes or foodstuffs; albums; babies' napkins of paper and cellulose [disposable]; bags [envelopes, pouches] of paper or plastics, for packaging; loose-leaf binders; boxes of cardboard or paper; cards; holders and cases for stamps and seals; comic books; compasses for drawing; paper tapes and cards for the recordal of computer programmes, copying paper [stationery]; correcting fluids [office requisites]' documents files' finger-papers; gummed tape; handkerchiefs of paper; index cards; inking ribbons; jackets for papers; labels, not of textile; maps; musical greeting cards; newsletters; pads [stationery]; paint boxes [article for use in school]; pamphlets; paper shredders [for office use]; pencils lead holders; postage stamps; stickers; table napkins of paper; thumbstacks, tickets, toilet paper; typewriter ribbons; typewriters [electric or non-electric]; wrappers; writing brushes; writing chalk; writing tablets; covers [stationery]; covers of paper for flower pots; paper cutters [office requisites]; confetti; bibs of paper; pabs for microwave cooking; paper coffee filters; booklets; embroidery designs [patterns]; paper knives [office requisites]; table cloths of paper; bags for microwave cooking; paper coffee filters; booklets; embroidery designs [patterns]; paper knives [office requisites]; table cloths of paper; table linen of paper; signboards of paper or cardboard; tags for index cards" under Class 16. <sup>3</sup>*

The Petitioner alleges the following:

The Petitioner alleges the following:

"1. Petitioner, **VOOZ Co. Ltd.**, is a corporation duly organized under the laws of Korea, with principal office address at 1F-2F Chungbo Building, 652-7, Yeoksam 1-Dong, Gangnam-Gu, Seoul, Korea. Notices and processes relative to the instant Petition may be served through the undersigned counsel as Petitioner's duly authorized representative. The original duly executed and authenticated Special Power of Attorney in favor of the undersigned is attached hereto as Exhibit A. The Verification and Certification against Forum Shopping duly executed by Atty. Ruby A. Alonte, an Associate of VeraLaw (Del Rosario Bagamasbad and Raboca) Law Offices, executed pursuant to the Special Power of Attorney is attached hereto as Exhibit B.

"2. Petitioner is not doing business in the Philippines, but has capacity to sue under Section 160, in relation to Section 3, of Republic Act No. 8293, known as the Intellectual Property Code of the Philippines. Petitioner's home country, Korea, extends by treaty, conventions or law to persons or nationals of the Philippines the privilege to bring an action in that country for infringement, unfair competition, or false designation of origin and false description without need of a license to do business in that country. 

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<sup>3</sup> The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

"3. Petitioner has its real and effective commercial establishment in Korea, which country and the Philippines are member-signatories to the WTO (Uruguay Round) - TRIPS Agreement. Under Article 2.1, in relation to Article 16 and 42 of said Agreement, x x x Under the said Convention, each signatory country undertakes at the request of an interested party to prohibit the use of a trademark which constitutes a reproduction, imitation or translation of a mark already belonging to a person entitled to the benefit of the Paris Convention and sued for goods with well-known marks.

"4. The aforesaid provisions of the TRIPS Agreement have been carried into effect by Section 3 of Republic Act 8293, as follows: x x x

"5. Respondent-Registrant purports to be an individual with address of record as above-stated, and where it may be served with notices and processes of this Honorable Office.

**The grounds for the Petition for Cancellation are as follows:**

"6. Registration No. 4-2003-011093 (sic) for the trademark 'PUCCA and Device' issued on February 26, 2006 covering goods in Class 28 in the name of Michael Kenneth S. Co, should be cancelled, in accordance with Section 151.1 pars. (a) and (b), in relation to Section 123.1 pars. (d), (e) and (f) and Sections 172.1 par. G, 172.2, 177, 177.1, 177.2 and 177.7 of RA 8293 otherwise known as the Intellectual Property Code of the Philippines.

"7. Section 155.1 pars. (a) and (b) authorizes, any person who will suffer damage by the continued existence of the registration, to file a Petition for Cancellation to wit: x x x

"8. Section 123.1 pars. (e) and (f), states what may not be registered to wit: x x x

"9. On the other hand, sections 172.1 par. (g) and (o), 172.2, 177, 177.1, 177.2 and 177.7 define copyright and the rights accorded to a copyright owner or author. Said sections provide as follows: x x x

**FACTUAL ANTECEDENTS**

"10. Petitioner is the registered owner and prior user of the internationally well-known mark, 'Pucca' and 'Pucca and Device'.

"11. The marks 'Pucca' and 'Pucca and device' trace their origin to a legend which tells of a ten year old active, inquisitive and assertive little girl who hails from Guh Ryung Chinese Restaurant. Pucca, as the story goes, is paired with Garu, Pucca's lovmate, whose interest is martial arts. Because Garu is more interested in martial arts than with Pucca, poor Pucca is the one who chases and courts Garu, in hopes that one day Garu would give Pucca the love she is longing for. It is in that setting that the world of Pucca revolves.

"12. In its home country, Korea, the mark 'Pucca' was first registered on April 11, 1997, under Certificate of Registration No. 417669, a certified copy of which is attached to the Affidavit-Direct Testimony of Mr. Kim Boo Kyoung as Annex 'A'. The affidavit-Direct Testimony of Mr. Kim Boo Kyoung is attached hereto as Exhibit C. At present, Petitioner has Twenty-Four 'Pucca' and 'Pucca and Device' summarized as follows:

Application No.	Application Date	Registration No.	Registration Date	International Classes
40-1997-0017279	1997-04-11	417669	1998-08-21	27

40-1997-0020920	1997-05-06	427207	1998-10-28	45
45-2001-0001723	2001-05-15	7825	2003-07-16	3.5.8.14.18.20.2 1.24.26.28.29.32 .34.38
40-2003-0010139	2003-03-05	586743	2004-07-05	12
40-2003-0010140	2003-03-05	593953	2004-09-22	9
40-2003-0010142	2003-03-05	586744	2004-07-05	11
45-2003-0001028	2003-03-21	11784	2005-02-03	9.11.12.15.16.41 .42
40-2003-0012942	2003-03-21	587013	2004-07-08	9.16.25.30
40-2003-0013452	2003-03-25	587015	2004-07-08	18
41-2003-0011990	2003-06-10	106551	2004-10-04	35
41-2003-0011991	2003-06-10	106555	2004-10-04	38
41-2003-0011992	2003-06-10	106556	2004-10-04	41
41-2003-0011993	2003-06-10	110464	2004-12-31	42
41-2003-0011994	2003-06-10	106565	2004-10-04	45
40-2003-0026009	2003-06-10	591415	04-8-27	9
40-2003-0026011	2003-06-10	627625	2005-08-10	25
41-2003-0013113	2003-06-20	108792	2004-11-24	41
45-2003-0002224	2003-06-23	11134	2004-11-19	3.14.188.21.24.3 8.42
45-2004-0001282	2004-04-08	14459	2005-12-01	9.41
45-2004-0002612	2004-07-23	13769	2005-09-26	30.35.43
45-2004-0002906	2004-08-16	15356	2006-03-02	3.9.14.16.21.24. 25.28.38.41.42
45-2004-0002909	2004-08-16	15247	2006-02-20	3.9.14.16.18.21. 24.25.28.38.41.4 2
70-2005-0000008	2005-01-04	13769	2005-09-26	30
41-2005-0017574	2005-07-27	132744	2006-05-30	41

"13. The trademarks 'Pucca' and 'Pucca and Device' are well-known not only in Korea but in different parts of the world as well. In the Philippines, the mark 'Pucca' is registered under Certificate of Trademark Registration Number 4-2004-005861, while the mark 'Pucca and Device' is pending under Application Number 4-2007-500067.

"14. The trademarks 'Pucca' and 'Pucca and Device' were first used in the Philippines in 2000, through a licensing agreement with Zed.

"15. The trademarks are likewise registered in various countries around the world including Japan, Taiwan, Thailand, Hongkong, China, Singapore, Malaysia, Indonesia, Australia, New Zealand, USA, Canada, Panama, Mexico, Peru, Uruguay, Paraguay, Colombia, Israel, Chile, Brazil, Argentina, Austria, Benelux, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Portugal, Spain, Sweden, England, Hungary, Norway, Poland, Russia, Switzerland. Below is a summary of the global multi-class registrations and pending applications for the trademarks 'Pucca' and 'Pucca and Device'.

x x x

"16. In addition to the aforementioned multi-class, multi-country trademark registrations and pending applications, Petitioner also holds copyright registrations for "Pucca and Device", as follows:

Country	Registration No.	Registration	Creation Date
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		Date	
Korea	C-2001-001655	2001-07-02	2000-02-01
Chile	157105	2006-08-29	2000-02-01
Mexico	03-2007-092613200100-01	2007-10-31	2000-02-01

"17. Petitioner has been actively protecting its trademark and copyrights to 'PUCCA' and 'PUCCA and Device' and had, in fact, prosecuted against those attempting to infringe upon said intellectual property rights. From the periods August 1, 2007 - November 30, 2007 and December 31, 2007 to March 1, 2008, the company has had at least One Hundred Twenty One (121) intellectual property protection actions in several countries, including France, Germany, Israel, Italy, the Netherlands, Spain, United Kingdom, Greece and Italy.

"18. Petitioner has spent and continues to spend considerable sums of money in advertising and promoting products bearing the marks 'PUCCA' and 'PUCCA and Device' worldwide. The worldwide spending on advertising and promotion of said trademarks of the Company for the last five years, in US Dollars, are summarized as follows:

2007: \$ 1.5 Million  
2006: \$ 1 Million  
2005: \$800,000  
2004: \$500,000  
2003: \$150,000

"19. Also, during the last five years, worldwide sales of products bearing the marks 'PUCCA' and 'PUCCA and Device' have reached US \$950 Million, with the following breakdown, in US Dollars:

2007: \$250 Million  
2006: \$200 Million  
2005: \$200 Million  
2004: \$150 Million  
2003: \$150 Million

"20. Petitioner likewise maintains the websites <http://www.vooz.co.kr> and <http://www.puccaclub.com/eng/>.

"21. Disney Corporation, one of the company, one of the many company's licensees, maintains <http://tv.disney.go.com/jetix/pucca/> where information about PUCCA, her love interest GARU, and the other characters of the PUCCA world can be accessed by consumers all over the world, including the Philippines.

"22. There are other sites in the worldwide web devoted to Pucca, Garu and the various other characters of the Pucca world. These sites are maintained either by affiliates of Petitioner or by fans of PUCCA. Below are just some of the sites devoted to Pucca:

1. <http://www.youtube.com/watch?v=05pC8fRGFxc>
2. <http://www.gamezhero.com/online-games/sports-games/puccajam-onlinegames.html>
3. <http://www.coverbrowser.com/covers/pucca>
4. <http://www.patagoniagames.com/pucca/>
5. <http://www.tv.com/Pucca/show/65266/summary.html>
6. <http://en.wikipedia.org/wiki/Pucca>

"23. In Korea, there is an ongoing anime series featuring 'PUCCA', widely watched not only in Korea, but worldwide. As a matter of fact, said series has been translated in various languages including Chinese, Spanish and German.

"24. In Europe and South America, the marks 'PUCCA' and 'PUCCA and device' have likewise been adopted in anime' and TV shows.

"25. Since its creation in 2000, Pucca, the little girl, has invaded every aspect of the merchandising industry. Pucca's presence is very extensive, such that her likeness was stamped on a wide array of products, from bags, pens, notebooks, pillows, dolls, and most toys. Attached herewith as Exhibit D is a CD compilation of some of Pucca's commercials, worldwide, one of which was with giant food chain Mcdonald's.

"26. Following the guidelines set by Rules & Regulations on Trademarks, Service Marks, Tradenames and Marked or Stamped Containers, quoted hereunder, there can be no doubt that the marks 'PUCCA' and 'PUCCA and device' are very internationally well known: x x x

"27. With the above factual antecedents and applying Rule 102 of the Rules & Regulations on Trademarks, Service Marks, Tradenames and Marked or Stamped Containers there is no denying, as in fact it cannot be denied, that the marks 'PUCCA' and 'PUCCA and device' are internationally well-known.

"ISSUES

**Whether or not Registration No. 4-2003-011091 for the mark 'PUCCA and Logo' should be cancelled for being identical to Petitioner's internationally well-known mark;**

**Whether or not Registration No. 4-2003-011091 for the mark 'PUCCA and Logo' infringes Petitioner's copyrights over PUCCA and should, therefore, be cancelled.**

"ARGUMENTS and DISCUSSIONS

x x x

"28. Respondent's registration of the mark 'PUCCA and Logo', under class 28, was obtained fraudulently, and in violation of the provisions of R.A. 8293, otherwise known as the Intellectual Property Code of the Philippines.

"29. More particularly, Section 123.1 pars. (e) and (f) provides: x x x

"30. As early as April 11, 1997, Petitioner has obtained registration of its trademarks 'PUCCA' and 'PUCCA and Device'. The worldwide trademark registrations for the said marks all point to Petitioner's ownership of the same. In the last five years alone, Petitioner's marks have earned nearly US \$ One Billion in revenue. Clearly, all indications show that Petitioner's trademarks 'PUCCA' and 'PUCCA and Device' are internationally well-known.

"31. Between Petitioner and Respondent-Registrant, there is also no doubt that the former has prior use of the trademarks 'PUCCA' and 'PUCCA and Device'.



"32. Further, as can be readily observed from a side by side comparison of the two marks, **Petitioner's 'PUCCA and Device' is identical to that of Respondent-Registrant's 'PUCCA and Logo'.** x x x

"33. It should be noted that the Petitioner's registration covers goods from various classes including classes 3, 5, 8, 9, 11, 12, 14, 15, 16, 18, 20, 21, 24, 25, 26, 27, 28, 29, 30, 32, 34, 35, 38, 41, 42, 43 and 45.

"34. Clearly, Petitioner's multi-class registration includes the same class (28) as that subject of Respondent-Applicant's registration.

"35. As a matter of fact, even before Respondent-Applicant even filed his application on December 3, 2003, **Petitioner already holds registrations for the mark "PUCCA and Device" in Korea, Israel, Japan, Taiwan and Thailand.** Below is a summary of Petitioner's registrations which pre-dates Respondent-Applicant's application:

Country	Application No.	Application Date	Registration No.	Registration Date
Korea	45-1997-0020920 (sic)	May 5, 2001	7825	July 16, 2003
Israel	165675	July 15, 2003	165675	May 5, 2004
Japan	2002-012878	2002.2.21	4614267	October 18, 2002
Taiwan			1031989	2002-02-23
Korea	512614	March 5, 2003	Kor195330	March 5, 2003
Korea	3452311	January 30, 2003	3452311	November 28, 2004


"36. It should also be noted that in 2000, three years before Respondent-Registrant filed his application for the mark 'Pucca and Logo', Petitioner's 'Pucca' has been used extensively in the Philippines through Zed, provider of value added service for mobile subscribers.

"37. On the facts, it is beyond doubt that Respondent-Registrant's mark 'PUCCA and Logo' is identical to Petitioner's internationally well-known marks, and, therefore, its registration was obtained contrary to the provisions of the Intellectual Property Code, and should be cancelled, accordingly.

**Registration No. 4-2003-011093 for the mark 'PUCCA and Logo' is an infringement of Petitioner's copyrights over PUCCA and should, therefore, be cancelled.**

"38. It should be noted that the character of the little girl, Pucca, was created originally as a cartoon/puppet by Boo Kyoung Kim, who, in July 2, 2001, obtained a copyright registration for said creation in Korea, and other countries, including Chile and Mexico.

"39. The artistic genius of Mr. Kim is evident in his original and unique creation of an image of a cuddly and lovable creature, Pucca. As a matter of fact, 'Pucca' became an instant hit in Korea as soon as the character was launched in the market. Soon after, Pucca merchandise also became very popular.

"40. Mr. Kim subsequently assigned his copyrights over Pucca to Petitioner Vooz Co. Ltd. The latter further capitalized on the lovable nature of Pucca and led to the creation of anime's and TV series with Pucca as the main character. 

"41. Since its creation in 2000, Pucca has invaded every aspect of the merchandising industry. Pucca's presence is very extensive, such that her likeness was stamped on bags, pens, notebooks, pillows, dolls, and toys. Attached herewith as Exhibit D is a CD compilation of some of Pucca's commercials worldwide, one of which was with giant food chain, Mcdonald's.

"42. Pucca also appears in several online/java games.

"43. Curiously, however, Respondent misappropriated Petitioner's PUCCA character and caused the registration of a representation of a character which is not only similar, but is identical with Petitioner's PUCCA. In fact, Respondent's mark, which is the subject of this cancellation action, is even designated as 'PUCCA and logo'. Respondent did not even attempt to subterfuge his infringement of Petitioner's copyrights by modifying his mark. On the contrary, there is an obvious attempt by Respondent to appropriate Petitioner's marks and get a free ride on the unprecedented fame and success of the Pucca marks and the goodwill associated therewith.

"44. Clearly, Respondent's use of the Pucca character violates Petitioner's copyrights and its continued registration is a continued violation of the provisions of the Intellectual Property Law, the pertinent provisions of which are again quoted below: x x x

"45. Therefore, for being registered in violation of sections 172 and 172.1 of the Intellectual Property Code, Respondent-Registrant's registration for the mark 'Pucca and Logo' should be cancelled."

The Respondent-Applicant filed his Answer on 27 May 2009 and avers the following:

"1.

#### ADMISSIONS

"1.1 Respondent respectfully admits the following paragraphs in the Petition:

"1.2. In the Preliminary Statement of the Petition, with respect to the allegation that the trademark registration No. 4-2003-011091 was issued on January 22, 2007 covering goods in Class 16 in the name of Michael Kenneth Co.

"1.3 Paragraph 4 insofar as they refer to section 3 of the Republic Act 8293 or the Intellectual Property Code of the Philippines.

"1.4 Paragraph 6 insofar as it refers to the sections of the RA 8293 or the Intellectual Property Code of the Philippines.

"1.5 Paragraph 7 insofar as they refer to section 155.1 of Republic Act 8293 or the Intellectual Property Code of the Philippines.

"1.6 Paragraph 8 insofar as they refer to section 123.1 pars. e and f of Republic Act 8293 or the Intellectual Property Code of the Philippines.

"1.7 Paragraph 9 as they refer to section 172.1 par. (g) and (o), 172.2, 177, 177.1, 177.2 and 177.7 of the Republic Act 8293 or the Intellectual Property Code of the Philippines.





"1.8 Paragraph 29 insofar as they refer to section 123.1 pars. (e) and (f) of the Republic Act 8293 or the Intellectual Property Code of the Philippines.

"II.

DENIALS

"A. SPECIFIC DENIALS

"For the reasons stated in its Affirmative Allegations, Respondent respectfully specifically denies the allegations in the following paragraphs of the Opposition:

"2.1 In the Preliminary Statement, insofar as it states that Petitioner has been damaged and continues to suffer damage by respondent's trademark registration.

"2.3 Paragraph 6, insofar as it states that Respondent's trademark registration should be cancelled in accordance with the cited provisions of RA 8293 or the Intellectual Property Code of the Philippines.

"2.4 Paragraph 10, insofar as it states that Petitioner is the registered owner and prior user of the internationally well-known mark 'PUCCA' and 'PUCCA and DEVICE'.

"2.5 Paragraph 11, insofar as it states the origin, legend and story of Pucca.

"2.6 Paragraph 12, insofar as it states that the mark 'PUCCA' was first registered on April 11, 1997 in its home country, Korea.


"2.7 Paragraph 13, insofar as it states that the trademarks 'PUCCA' and 'PUCCA and device' are well-known not only in Korea, but in different parts of the worlds as well and in that it has registration and pending applications in the Philippines.

"2.8 Paragraph 14, insofar as it states that the trademarks 'PUCCA' and 'PUCCA and device' were first used in the Philippines in 2000, through a licensing agreement with Zed.

"2.9 Paragraph 25, insofar as it states that since its creation in 2000, Pucca, the little girl, has invaded every aspect of the merchandising industry and its likeness is stamped in wide array of products.

"2.10 Paragraph 26 and 27, insofar as it states that the 'PUCCA' and 'PUCCA AND DEVICE' are very internationally well-known.

"2.11 Paragraph 28, insofar as it states that Respondent's registration of the mark 'PUCCA AND LOGO', under class 16 was obtained fraudulently and in violation of the provisions of RA 8293.

"2.12 Paragraph 30, insofar it states that as early as April 11, 1997, Petitioner has obtained registrations of its trademarks 'PUCCA' and 'PUCCA AND DEVICE', the worldwide trademark registrations for the said marks all point to Petitioner's ownership of the same, petitioner's marks have earned nearly that the said marks are internationally well-known. 

"2.14 Paragraph 31, insofar as it states that Petitioner has prior use of the trademark 'PUCCA' and 'PUCCA AND DEVICE'.

"2.15 Paragraph 32, insofar as it states that Petitioner's 'PUCCA AND DEVICE' is identical to that of Respondent's 'PUCCA AND LOGO'.

"2.16 Paragraph 33 and 34, insofar as it states that Petitioner's registration covers goods from various classes including class 28 which is the same class as that of subject Respondent's registration.

"2.17 Paragraph 35, insofar as it states that even before Respondent even filed his application on December 3, 20023, Petitioner already holds registrations for the mark 'PUCCA AND DEVICE' in Korea, Israel, Japan, Taiwan and Thailand.

"2.18 Paragraph 36, insofar as it states that in year 2000, three years before Respondent filed his application for the mark 'PUCCA AND LOGO' Petitioner's 'PUCCA' has been used extensively in the Philippines through ZED, provider of value added service for mobile subscribers.

"2.19 Paragraph 37, insofar as it states that Respondent's mark 'PUCCA AND LOGO' is identical to Petitioner's internationally well-known marks, and therefore, its registration was obtained contrary to the provisions of the Intellectual Property Code and should be cancelled accordingly.

"2.20 Paragraph 43, insofar as it states that Respondent misappropriated Petitioner's marks to get a free ride on the unprecedented fame and success of the 'PUCCA' marks and the goodwill associated therewith.

"2.21 Paragraph 44, insofar as it states that Respondent's use of the Pucca character violates Petitioner's copyrights and its continued registration is a continued violation of the provisions of the Intellectual Property Law.


"2.22 Paragraph 45 insofar as it states that Respondent-registrants registration for the mark 'PUCCA AND LOGO' being registered in violation of Sections 172 and 172.1 of the Intellectual Property Code should be cancelled.

**"B. NO KNOWLEDGE**

"2.23 Respondent has no knowledge or information sufficient to form a belief as to the truth of the allegation in the following paragraphs of the Opposition:

"2.24 In paragraph 1, with respect to the allegations on the legal personalities of Petitioner and their principal place of business and the Special Power of Attorney in favor of the counsel.

"2.25 In paragraph 2, insofar as it alleges that the Petitioner has the capacity to sue under Sec. 160 in relation to Sec. 3 of RA 8293.

"2.26 In paragraph 3, insofar as it alleges that Petitioner has its real and effective commercial establishment in Korea which a member-country of the WTO (Uruguay Round) - TRIPS. 

"2.27 In paragraph 12, insofar as it alleges that Petitioner has Twenty (24) active multi-class registrations in Korea for the trademarks 'PUCCA' and 'PUCCA AND DEVICE'.

"2.28 In paragraph 15, insofar as it alleges the countries in which it has multi class registrations and pending applications for the trademarks 'PUCCA' and 'PUCCA AND DEVICE'.

"2.29 In paragraph 16, insofar as it alleges the countries in which it holds copyright registrations for 'PUCCA AND DEVICE'.

"2.30 In paragraph 17, in so far as it alleges that Petitioner has been actively protecting its trademarks and copyrights to 'PUCCA' and 'PUCCA AND DEVICE'.

"2.31 In paragraph 18, in so far as it alleges that Petitioner has spent and continues to spend considerable sums of money in advertising and promoting products bearing the marks 'PUCCA' and 'PUCCA AND DEVICE' worldwide.

"2.32 In paragraph 19, in so far as it alleges its worldwide sales of products bearing the marks 'PUCCA' and 'PUCCA AND DEVICE'.

"2.33 In paragraphs 20, 21 and 22, in so far as it alleges website addresses where information about Pucca can be accessed.

"2.34 In paragraph 23 and 24, in so far as it alleges the existence of Anime and TV shows featuring Pucca in various countries.

"2.35 In paragraph 38, 39, 40, 41 in so far as it alleges that creator of Pucca, the subsequent assignment by its creator to Petitioner and the popularity of the Pucca character in the merchandising industry.

"2.36 In paragraph 42 in so far as it alleges the appearance of Pucca in online/java games.

### "III.

#### AFFIRMATIVE ALLEGATIONS

"3.0 In support of the specific denials, Respondent respectfully alleges that:

"3.1 Petitioner anchors its rights that it is the holder of multi class registration of the 'PUCCA' and 'PUCCA AND DEVICE' in various countries. Respondent contends that Petitioner has no right to the 'PUCCA AND LOGO' for goods under Class 16 in the Philippines because: (1) Respondent-Registrant is prior registrant and prior user of the 'PUCCA AND LOGO' mark in the Philippines, (2) the Petitioner's registration for the 'PUCCA' is for goods under Class 9 and 41 which is used in totally different and unrelated to the goods on which Respondent's 'PUCCA AND LOGO' mark for class 16 is used hence, there is no likelihood of confusion.

"Petitioner's and Respondent's goods are different and unrelated hence, there is no likelihood of confusion.

"3.6 Petitioner's and Respondent's goods are different and unrelated. Petitioner's and Respondent's goods are so dissimilar from each other that any claim of likelihood of confusion is more imagined than real.

"3.7 It is a basic precept in trademark protection that 'the right to a trademark is a limited one, in the sense that others may use the same mark on unrelated goods.' Thus, as pronounced by the United States Supreme Court in the case of *American Foundries vs. Robertson*, 'the mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others on articles of a different description.'

"3.8 There is no difficulty in arriving at a conclusion that the goods of the Respondent and the Petitioner connected with their respective trademarks is distinct and different from each other. Petitioner's mark are used on:

Class 09: x x x

Class 41: x x x

On the other hand, Respondent-Registrant's 'PUCCA AND LOGO' is used on'

Class 16: x x x

"3.9 From the goods alone of the competing parties covered by the competing marks, it is clearly shown that they fall under different classes, they do not serve the same purpose not it might flow through the same channel of trade like an office supply and equipment store but it will be definitely be displayed or shelved in a different section of the store, hence, they are neither competing nor can be considered as related goods.

"3.10 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)) rule that: x x x

"3.11 Pursuant to the aforesaid Supreme Court ruling, the goods of the parties are obviously different from each other. They are so foreign to each other as to make it unlikely that the purchasers would think that Petitioner is the source of Respondent-registrant's goods as they belong to different classes of goods. The mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others on unrelated articles of a different kind (*American Foundries vs. Robertson*, 269 US 372, 381)

"3.12 It is, therefore, clear that the goods on which the trademark 'PUCCA AND LOGO' is used by Respondent-Registrant is non-competing, not sold on the same channels of trade and entirely unrelated to the products of the cited marks so that there is no likelihood of confusion or deception on the part of the purchasing public as to the origin or source of the goods.

"3.13 In sum, the business of the Respondent-Registrant and the Petitioner are non-competitive and their products so unrelated that the use of identical trademarks is not likely give rise to confusion.

"3.14 The use of the mark 'PUCCA AND LOGO' by the Respondent-Registrant would not indicate a connection between the Respondent-Registrant and the Petitioners. For the following reasons;



"3.15 The goods of the parties are entirely different and unrelated, that comparing the physical attributes and characteristics of Class 16 goods & Class 9 and 41 goods will not suggest a connection.

"3.16 The business of the parties are entirely different. Petitioners are engaged in the marketing and sale of cartoons, digital games and audio-visual productions while Respondent-Registrant is engaged in the marketing and sale of toys, playthings and novelty gaming items. Hence, there is no connection between the parties intended business or purpose.

"3.17 Respondent-Registrant's products are advertised, displayed and sold to the public in a totally different manner as Petitioner's products. Hence, no connection can be suggested between the goods of the Respondent and Petitioner.

"3.18 Respondent-Registrant's 'PUCCA AND LOGO' is used on Class 16 goods which are primarily sold in department stores, specialties store and dry goods section of grocery stores. On the other hand, Petitioners are sold through broadcasting companies, TV Stations, movie houses and internet content providers.

**"Petitioner's 'PUCCA' mark is not well-known.**

"3.19 Other than Petitioner's self-serving allegation that 'PUCCA' is a 'well-known' mark, Petitioner did not present evidence to prove the same.

"3.20 Contrary to Petitioner's claims, Respondent is not riding on the goodwill of Petitioner's trademarks. As the Petitioner has no goodwill in the toy, plaything and novelty gaming market. Petitioner has failed to show any proof of their claims of substantial investment and advertising, or that Petitioner's allegedly well-known marks have established valuable goodwill to the consumers and the general public.

"3.21 Other than bare-faced allegations, Petitioner were also not able to present proof to substantiate their claims that Respondent use of 'PUCCA AND LOGO' unjustly benefited the Respondent and seriously prejudiced Petitioner.

**"Respondent is the prior registrant and prior user of the mark 'PUCCA AND LOGO' for goods under Class 16 in the Philippines**

"3.22 Respondent as early as December 3, 2003 already filed a trademark application for 'PUCCA AND LOGO' in the Philippines under class 16 as shown by the trademark application (See EXHIBIT 1 to 1-4) or more than one (1) year before Petitioner filed its application for class 9 and 41 on July 2, 2004. (See EXHIBIT 2 and 2-1)

"3.23 Respondent as early as January 22, 2007 was already issued a registration for 'PUCCA AND LOGO' in the Philippines under class 16 (See EXHIBIT 3 to 3-2) while Petitioner has no registration for Class 16 goods.

"3.24 Respondent as early as December 2003 have actually used in commerce goods under class 16 bearing the 'PUCCA AND LOGO' mark (see EXHIBIT 4 to 4-2). Since then it has continuously and actually sold, marketed and distributed goods bearing 'PUCCA AND LOGO' all over the country. (see EXHIBIT 5 to 5-4 and EXHIBITS 6 to 6-7).



"3.25 Respondent as the prior registrant, applicant has the better right to the trademark 'PUCCA AND LOGO' under Class 16 in the Philippines

"3.26 When Respondent applied for 'PUCCA AND LOGO', it was not known and used in the Philippines for Class 16 goods. In fact, the Respondent filed a trademark application for 'PUCCA AND LOGO' to make sure that the mark is available for use and not appropriated by another. Respondent's application undergone extensive and intensive examination and finding no obstacle for 'PUCCA AND LOGO' registration, the same was allowed for registration. The allowance of the mark will show that there was no existing prior registration of the 'PUCCA AND LOGO' mark for Class 16 in the Philippines nor was it previously used by another in the Philippines. The term 'PUCCA AND LOGO' was just like any other word in the beginning free to be use by anybody, it did not have any proprietary value in the country when Respondent chose it.

"The use by Respondent of 'PUCCA AND LOGO' was not to trade upon the reputation of Petitioner's mark.

"3.27 Thus, the use by Respondent of 'PUCCA AND LOGO' was not to trade upon the reputation of Petitioner's mark for there is no reputation to speak of that can help Respondent to sell its class 16 goods. In fact, Petitioner has to invest and spend considerable amount to advertise and continuously promote the 'PUCCA AND LOGO' mark for Class 16 goods. The considerable expenditure of time, money and effort to market the 'PUCCA AND LOGO' mark is contrary to the allegation that Respondent is riding on the goodwill of the 'PUCCA' mark established by the Petitioner.

"3.28 It is clear that the instant Petition for Cancellation has no basis in fact and in law and was merely developed by the Petitioner to prevent free trade and competition.

Sec. 151.1 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") states in part that,

Sec. 151. *Cancellation.* - 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

- (a) Within five (5) years from the date of the registration of the mark under this Act.
- x x x

This provision allows any person to file a petition to cancel a trademark registration if that person believes that he would be damaged by the registration. Once filed, the cancellation proceeding becomes, basically, a review of the trademark registration in question to determine if the legal requirements for registration have been satisfied and if the maintenance or continuance of the Respondent-Registrant's trademark in the principal register would damage the Petitioner. <sup>4</sup>

<sup>4</sup> Sec. 154 of the IP Code provides:

154. *Cancellation of Registration.* - If the Bureau of Legal Affairs finds that a case for cancellation has been made out, it shall order the cancellation of the registration. When the order or judgment becomes final, any right conferred by such registration upon the registrant or any person in interest of record shall terminate. Notice of cancellation shall be published in the IPO Gazette. (Sec. 19, R.A. No. 166a)

The Petitioner in this case raised the issue of ownership of the subject trademark.

In this regard, it is emphasized that the function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>5</sup> In this regard, the Philippines implemented the TRIPS Agreement when the IP Code took into force and effect on 01 January 1998. Art. 15 of TRIPS Agreement reads:

Section 2: Trademarks  
Article 15  
Protectable Subject Matter

1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, Members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible.
2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provisions of the Paris Convention (1967).
3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application.
4. The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.
5. Members shall publish each trademark either before it is registered or promptly after it is registered and shall afford a reasonable opportunity for petitions to cancel the registration. In addition, Members may afford an opportunity for the registration of a trademark to be opposed.

Art. 16(1) of the TRIPS Agreement states:

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<sup>5</sup> *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 Nov. 1999.

Article 16  
Rights Conferred

1. The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

Significantly, the IP Code adopted the definition of the mark under the old law on Trademarks (Rep. Act No. 166), to wit:

121.1 "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a).

Sec. 122 of the IP Code also states:

Sec. 122. How Marks are Acquired. - The rights in a mark shall be acquired through registration made validly in accordance with the provisions of this law. (Sec. 2-A, R.A. No. 166a)

There is nothing in Sec. 122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in a mark shall be acquired through registration, which must be made validly in accordance with the provisions of the law. Significantly, Sec. 122 refers to Sec. 2-A of R.A. 166, as amended (the old Law on Trademarks), which states:

Sec. 2-A. Ownership of trademarks, tradenames and service marks; how acquired. - Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business, or who renders any lawful service in commerce by actual use thereof in manufacture or trade, in business, and in the name, or a service-mark not so appropriated by another, to distinguish his merchandise, business or service from the merchandise, business or services of others. The ownership or possession of a trade-mark, trade-name, service-mark, heretofore or hereafter appropriated, as in this section provided, shall be recognized and protected in the same manner and to the same extent as are other property rights known to the law."

*In Shangri-La International Hotel Management, Ltd., et. al v. Developers Group of Companies, Inc.*,<sup>6</sup> the Supreme Court defined the import and scope of Sec. 2-A of RA 166, thus:

x x x For, while Section 2 provides for what is *registrable*, Section 2-A, on the other hand, sets out how *ownership* is acquired. These are two distinct concepts.

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<sup>6</sup> G.R. No. 159938, 31 Mar. 2006.



Under Section 2, in order to register a trademark, one must be the owner thereof and must have actually used the mark in commerce in the Philippines for 2 months prior to the application for registration. Since "ownership" of the trademark is required for registration, Section 2-A of the same law sets out to define how one goes about acquiring ownership thereof. Under Section 2-A of the same law sets out to define how one goes about acquiring ownership thereof. Under Section 2-A, it is clear that actual use in commerce is also the test of ownership but the provision went further by saying that the mark must not have been so appropriated by another. Additionally, it is significant to note that Section 2-A does not require that the actual use of a trademark must be within the Philippines. Hence, under R.A. No. 166, as amended, one may be an owner of a mark due to actual use thereof but not yet have the right to register such ownership here due to failure to use it within the Philippines for two months. (Underscoring supplied)

Clearly, it is not the application or the registration that confers ownership of a mark, but it is the ownership of the mark that confers the right to registration.

Sec. 138 of the IP Code provides that "*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 registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.*" But, as in this instant, if the Petitioner is able to submit evidence to prove that the contested mark is not owned by the Respondent-Registrant but by somebody else, then the presumption is overcome. Consequently, the trademark registration in question must be cancelled.

This Bureau finds the Petitioner has established that it owns a design and a trademark shown below:



While the Petitioner's allegation that it has registered the contested mark as early as 1997 is not supported by evidence, it has shown, however, through its Chief Executive Officer Kim Boo Kyoung, that it conceptualized and created in February 2000 in Seoul, Korea, and thereafter used the design or trademark not only in that country but in other countries as well. The copyright to the "PUCCA" design was registered with the Copyright Deliberation & Conciliation Committee in Korea on 02 July 2001. Subsequently, the design as a trademark was registered in that country on 16 July 2003.

The Respondent-Registrant on the other hand, applied for registration on 03 December 2003 a mark that is practically identical to the Petitioner's design or mark as shown below:



*Petitioner's trademark*



*Respondent-Registrant's mark*

In this regard, the Petitioner's mark is highly distinctive and is so unique that it is incredible or highly improbable that the Respondent-Registrant came up with a mark that is identical to the Petitioner's by pure chance or coincidence. There is nothing in the records that explains how the Respondent-Registrant arrived at using the same mark, appropriating in minutest details the features of the Petitioner's mark consisting of a stylized "PUCCA" word and the device consisting of a figure of a girl, including her "shadow".

This Bureau finds untenable the Respondent-Registrant's argument that confusion among the public is unlikely to happen because, according to him, his goods are different from the Petitioner's. The goods or services covered by the Respondent-Registrant's trademark registration are similar or closely related to the Petitioner's, to wit: *"animated cartoons (downloadable); game character images (downloadable); game contents (downloadable); computer programs (downloadable); digital music (downloadable)"* under Class 09 and *"production of radio or television programs; production of videotape film in the fields of education, culture, entertainment or sports (not for movies, radio or television programs and not for advertising and publicity); movie showing; movie film production or movie film distribution; publication of books; publication of electronic books and journals on-line; providing education information; providing correspondence courses; providing amusement facilities; providing mobile game contents; providing online game contents; providing an online computer game; providing a mobile game; providing information about computer game; providing information about mobile game"* under Class 41. The market is plentiful of merchandise, especially paper and printed products or materials, reading and writing materials, and similar goods that are utilized at work, for entertainment, and educational purposes, that carry, and even capitalize, on factual or fictional characters, images, figures, and messages in cartoons, movies, books, television programs or shows, and games.

Succinctly, the Petitioner's mark functions more than a brandname in respect of said party's goods and services. "PUCCA" is the main character of the cartoons, games, books, movies, television programs, among other goods and services offered or provided by the Petitioner. Thus, the Respondent-Registrant's goods are related to the Petitioner's cartoons, movies, games, television shows, etc. The similarity or relation is defined not only by the basic utilities and purpose of these goods or services. Merchandise that carries cartoon, game, movie, book characters or figures appeal to the public's attachment to these characters. It is because of these attachment that sway them in buying such merchandize. Thus, owners of trademarks that consists of cartoon, animation or fictional characters extend their businesses to printed materials, as well as reading and writing materials, through direct manufacturing or licensing. In fact, some of the goods covered by the Respondent-Registrant's trademark registration are not only related but are similar to the Opposer's such as books, comic books, publications, newspapers and magazines, among others.

Because the Petitioner's mark is unique and highly distinctive, just by looking at the Respondent-Registrant's goods bearing the PUCCA design or mark would likely create an impression that this is owned by the Petitioner. The consumers may assume that the Respondent-Registrant's goods originate from or sponsored by the Petitioner or believe that there is a connection between them, as in a trademark licensing agreement. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:<sup>7</sup>

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

The field from which a person may select a trademark is practically unlimited. As in all other cases of colourable imitation, the unanswered riddle is why, of the millions of terms and combination of letters and designs available, the Respondent-Registrant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.<sup>8</sup> In this instance, the Respondent-Registrant is even likely getting "free advertisement" of his goods.

As the rightful owner of the mark "PUCCA and Device", the Petitioner should be given protection against entities that merely wish to take advantage of the goodwill its

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<sup>7</sup> See *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.

<sup>8</sup> *American Wire & Cable Company v. Dir. of Patents*, G.R. No. L-26557, 18 Feb, 1970.

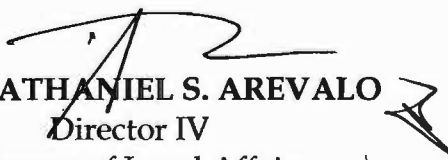
marks have generated. Accordingly, the Respondent-Registrant should not have been allowed to register a mark, which in this instance is highly distinctive and unique, that has already been appropriated, used and owned by another.

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

**WHEREFORE**, premises considered, the Petition for Cancellation is, as it is hereby **GRANTED**. Let the filewrapper of Trademark Registration No. 4-2003-011091 be returned together with a copy of this Decision to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 29 February 2012.

  
**ATTY. NATHANIEL S. AREVALO**  
Director IV  
Bureau of Legal Affairs