



**KABUSHIKI KAISHA HITACHI
SAISAKUSHO,**
Opposer,

-versus-

KAMLA, INCORPORATED,
Respondent- Applicant.

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IPC No. 14-2009-00154
Opposition to:
Appln. Serial No. 4-2008-008155
Date filed: 09 July 2009
TM: "MITASHI"

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NOTICE OF DECISION

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KAMLA INCORPORATED

Respondent-Applicant
2nd Floor, HWSE, C.M. Greenfields Compound
Km. 14 Merville Access Road, Paranaque City

GREETINGS:

Please be informed that Decision No. 2013 - 100 dated June 04, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 04, 2013.

For the Director:


ATTY. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



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SAISAKUSHO, }
Opposer, }
-versus- }
KAMLA, INCORPORATED, }
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Decision No. 2013- 100

DECISION

KABUSHIKI KAISHA HITACHI SAISAKUSHO ("Opposer"), a corporation duly organized under the existing laws of Japan, with office address at 6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan filed an opposition to Trademark Application Serial No. 4-2008-008155.¹ The application filed by KAMLA, INCORPORATED ("Respondent-Applicant"), a domestic corporation with address at 2/F HWSE C.M. Greenfields Cmpd., Km. 14 Merville Access Road, Merville, Parañaque City covers the mark "MITASHI" for use on microphones, speakers, DVD players, car stereos, amplifier cords, testers, battery chargers, telephone sets, gaming accessories, namely, joysticks and memory card under Class 09 of the International Classification of Goods.²

The Opposer alleges the following:

GROUND S

"4.1. Respondent-Applicant's MITASHI mark is confusingly similar or nearly resembles Opposer's registered HITACHI mark, so as to deceive and cause confusion among consumers, and is thus unregistrable under Section 123.1 (d) of the IP Code.

"4.2. Respondent-Applicant's mark MITASHI is confusingly similar to Opposer's HITACHI mark which are well-known internationally and in the Philippines, and is thus unregistrable under Sections 123.1 (e) and (f) of the IP Code, Article 6bis of the Paris Convention and Articles 16(2) and 16(3) of the TRIPS Agreement

"4.3. Respondent-Applicant's adoption and use of the MITASHI mark on similar or closely related goods in Class 9 dilute the goodwill associated with the HITACHI mark used on Opposer's goods.

¹ The application was published in the Intellectual Property E-Gazette on 13 February 2009.

² The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

DISCUSSIONS

The registration of Respondent-Applicant's mark MITASHI is proscribed under Section 123.1 (d) of the IP Code.

“5.1. Section 123.1 (d) of the IP Code proscribes the registration of a mark that is identical with or nearly resembles, a registered mark belonging to another, or with an earlier filing or priority date, to wit:

x x x

“5.2. Opposer, is the first true, lawful and rightful owner of the HITACHI mark, having been the first to appropriate the mark in 1910 for commercial use in different markets worldwide, including the Philippines.

“5.3 The mark HITACHI was coined by the Opposer's founder, Namihei Odaira, by combining the Kanji Characters “Hi” xxx and “Tachi” xxx. As the lawful owner of the HITACHI mark, Opposer applied for and/or successfully registered several HITACHI marks in Class 9 in the Philippines:

MARK	APPLN./ REG. NO.	APPPL. DATE	REG. DATE	CLASS/ES	EXHIBIT
HITACHI	02598	20 Aug 1980	01 Dec 2000	9	A
HITACHI	026235	31 July 2008	13 Sept 1988	6, 9	B
HITACHI	053536	12 Feb 1986	28 Sept 1992	6, 7, 9, 11	C
HITACHI	4-1995- 098833	09 March 1995	28 Sept 2003	9	D
HITACHI	4-2009- 000230	08 Jan 2009	-	7, 9, 11	E

x x x

“5.4. Both marks are word marks, although Opposer's HITACHI mark is presented in plain block letters while Respondent-Applicant's MITASHI mark is depicted in stylished letters. Both marks do not possess any dominant feature. Hence, the dominancy Test is not applicable to this case.

Aural Similarity (Idem Sonans)

“5.5. In actual trade, buyers do not merely rely on the visual representation of a mark but also on its phonetic articulation. The sound or verbalization of a mark plays an important part in its recognition by the public. Aside from visual advertising, most businesses rely on word of mouth in building its goodwill and reputation. Loyal and satisfied customers often recommend a product by word of mouth. Thus, the goodwill created by trademarks likewise spreads, transfers and is conveyed by word of mouth, as applied in the actual conditions in the market.

“5.6. As early as 1996, the Supreme Court has firmly relied on the Idem Sonans Test which states that ‘similarity in sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.’ While similarity in sound is often accompanied by similarity in appearance and/or similarity in meaning, similarity in sound alone is a sufficient basis upon which to predicate a holding of likelihood of confusion. Stated otherwise, there is confusing similarity between two marks even if they may be visually distinguishable, but to the ear they are identical.

“5.7. It is likewise an established rule that if the competing marks are both foreign words, the prime comparison should be based on phonetic similarity to the English-speaking customers. For example, likely confusion was found between ‘BOTTEGA VENETA’ and ‘BORSA VENETO’, both for handbags, the court looking for the reaction of local customers who do not know what the word means in Italian and will not be able to translate them.

“5.8. In the instant case, the similarity in sound between the Opposer’s HITACHI mark and the Respondent-Applicant’s MITASHI mark, both of which are Japanese-sounding, is sufficient to make a finding of confusing similarity.

“5.9. The two marks contain the same number of letters and syllables wherein each syllable contain the same vowel. The marks have the same stress pattern, with primary accent on the second syllable. The slight difference in pronunciation in the first and third syllables of the two words is insignificant to the non-Japanese speaking Filipino purchasing public because they are not aware of the differences in meaning between the two to be able to distinguish them. When the contending marks are pronounced in succession, the aural similarity between them is readily apparent.

“5.10. Indeed, a number of trademarks have been held confusingly similar based on phonetic similarity. Confusing similarity was found in the following cases considering the degree of phonetic similarity between the marks involved:

x x x

“5.11. The same likelihood of confusion would certainly be present between the phonetically similar marks HITACHI and MITASHI both covering identical, public if the two marks are allowed to co-exist.

Conceptual or Connotative Similarity

“5.12. Both Opposer’s HITACHI mark and Respondent-Applicant’s MITASHI mark use Japanese-sounding words which may be associated by the purchasing public with a Japanese product, company or manufacturer. As such, to allow the registration of the MITASHI mark would likely mislead the public to believe that the manufacturer of the products bearing the HITACHI and MITASHI marks are one and the same, or an affiliate or under the sponsorship of the other. The public may be mistaken that one is just a variation of the other and that both came from the same manufacturer, thereby deceiving the consuming public as to the affiliation, connection or association of either or both parties, or as to the origin, sponsorship or approval of the goods bearing the MITASHI mark. The resulting damage to the Opposer is not limited to a possible confusion of goods but also includes confusion of reputation if the public could reasonably assume that the goods of the parties originated from the same source.

“5.13. Furthermore, the fact that the HITACHI mark is a fanciful mark makes confusion more likely. Fanciful marks consist of ‘coined’ words, as in Opposer’s case, which have been invented or selected for the sole purpose of functioning as a trademark. Fanciful marks are the strongest trademarks because they are invented and few competitors may claim that they accidentally adopted the same trademark. Consequently, the likelihood of confusion of a ‘strong’ mark with similar marks will be more readily inferred. Likewise, fanciful marks have no meaning, lending more weight to similarity in sight and sound. Thus, it has been held that ‘two names that look and sound similar where there are no differences in meaning to distinguish them such as the situation in this case.

“5.14. Respondent-Applicant’s MITASHI mark appears to be fanciful or coined mark. It is highly improbable that two or more business entities would inadvertently adopt an identical or similar fanciful mark especially if they deal with the same goods or services. Opposer has already secured registration for the HITACHI mark as early as 1953 in Japan. Opposer has been recognized worldwide, including the Philippines, as owner of the HITACHI marks used on the same products that the Respondent-Applicant has also chosen to use its MITASHI mark on. It would be hard to believe that Respondent-Applicant did not know the well-known and world famous HITACHI mark and that it only coincidentally coined the MITASHI mark. The more plausible explanation is that the Respondent-Applicant, being the junior user, copied or imitated the HITACHI mark of Opposer.

“5.15. The underlying principles of the trademark registration system do not contemplate rewarding a copycat. As the registered owner of the HITACHI mark, Opposer is entitled to the exclusive right to use it and to prevent other persons from using the mark that resembles its mark as to be likely to deceive or cause confusion. Being a business competitor, Respondent-Applicant’s use of the MITASHI mark on similar or closely related products would cause a likelihood of confusion in the minds of the buying public.

Similar or Closely Related Goods

“5.16. But that is not all. Aside from the similarity in spelling, sound and connotation, Respondent-Applicant seeks to register its MITASHI mark for goods under Class 9, which are similar or closely related to, and competing with, those covered by Opposer’s HITACHI mark. Consequently, the resemblance/similarity between the Respondent-Applicant’s MITASHI mark and Opposer’s HITACHI mark and the similarity and relation between their respective goods renders the former unregistrable as expressly provided for under Section 123.1 (d) of the IP Code:

x x x

“5.17. Opposer’s goods consist of a wide variety of consumer goods, electrical machines, equipment and home appliances products under Classes 7, 9 and 11. On the other hand, Respondent-Applicant’s goods consist of identical or similar electrical appliances in Class 9, namely microphones, speakers, DVD, players, car stereos, amplifier cords, testers, battery chargers, telephone sets, gaming accessories, namely joysticks and memory card, as shown in the comparative table below:

x x x

“5.18. The basic issue in controversies between the competing is the likelihood of confusion, mistake or deception upon purchasers of goods of the junior user of the mark

and the goods manufactured by the senior user. Since the products in this case are similar and closely related, it is not farfetched that an ordinary purchaser would mistake or assume that the Opposer is the manufacturer or the origin of the Respondent-Applicant's MITASHI products. It is likely that the public would be led to believe that there is some connection between the Opposer and Respondent-Applicant. The likelihood of confusion subsists not in the purchaser's perception of goods but on the origins thereof. Confusion the consumers is a very real if Respondent-Applicant's MITASHI mark will be allowed to co-exist with Opposer's HITACHI mark.

"5.19. The goods in the instant case are of the same type and descriptive properties and flow through the same channels of trade and are found in the same area of a store. Clearly, Respondent-Applicant's goods are identical, similar or so closely related to Opposer's wide variety of electronic, electric and home appliance products that confusion in the mind of the public as to the origin of the goods is not only likely but inevitable.

"5.20. Accordingly, pursuant to Sec. 123.1 (d) (iii) of the IP Code, the registration of Respondent-Applicant's MITASHI mark under Trademark Application No. 4-2008-008155 , rejected for being an identical or confusingly similar mark to Opposer's registered HITACHI mark for identical, similar or closely related goods.

Opposer's HITACHI MARKS are internationally well-known and are thus entitled to protection under Section 123.1 (e) and (f) of the IP Code, Article 6bis of the Paris Convention and Article 16(2) and (3) of the TRIPS Agreement.

"6.1. The right to protection of internationally well-known marks under the local laws and international treaties is beyond dispute. The IP Code explicitly prohibits the registration of a mark which is identical with, or confusingly similar to, an internationally well-known and locally well-known mark, to wit:

x x x

"6.2. The Opposer is a corporation founded in 1910 by Namehei Odaira as an electrical equipment repair and manufacturing facility. Its main purposes are to hi manufacture and distribute a wide variety of types of products, such as electronic devices, power and industrial systems, digital media, raw materials, etc., all bearing the different HITACHI mark. Today, Opposer is a multinational corporation specializing in high technology and services. It is the parent company for the Hitachi Group, which Hitachi Works, Hitachi Cable and Hitachi Canadian Industries. Its operation is divided into seven industry segments: Information and Telecommunications Systems; Electronic Devices; Power & Industrial Systems; Digital Media & Consumer Products; High Functional Material & Components; Logistics, Services and Others; and Financial Services.

x x x

"6.5. Opposer conducts and worldwide and worldwide advertising and promotional campaigns to market its product bearing the HITACHI mark. As a result of advertising/promotional activities and the continuous use and worldwide registration ofof the said mark, it has acquired substantial goodwill and reputation over the years, thus

elevating it to the level of well-known marks, exclusively associated with Opposer and its products. xxx

“6.6. In fact, as a confirmation of its well-known status, the HITACHI mark was certified as one of Japan’s Well Known Trademarks by the Japan Patent Office (‘JPO’). xxx Opposer was also voted by Asian and Filipino consumer as Gold Winner of the Reader’s Digest Asia Trusted Brands poll for the year 2002, 2003, 2004, 2006, 2007 and 2009.

“6.7. As a testament the popularity and reputation of Opposer’s HITACHI mark, foreign and international courts/tribunals have likewise affirmed the well-known and world famous status of the mark. xxx

“6.8. Due to the goodwill and reputation generated by the Opposer’s HITACHI mark, sales of the Opposer’s products have resulted in a turnover of Fifty-Nine Trillion Three Hundred and Twenty Eight Million, Seven Hundred and Fifty Four Million Yen (¥59,338,754,000,000.00) from the years 1991 to 2007. Based on Opposer’s Annual Report for 2008, its annual revenue exceeded 112 billion. In 2008, Opposer was no. 48 in the Fortune Global 500 ranking of the top 500 corporations worldwide. In 2009, Opposer was ranked no. 496 in the Forbes Global 2000 list of the leading public companies in the world.

“6.9. Opposer continues to export to the Philippines and distribute HITACHI products to its loyal customers through its Philippine branch, Hitachi Asia Ltd. Philippines.
x x x

“6.10. By reason of the Opposer’s worldwide, open and continuous use of the HITACHI mark, the numerous worldwide trademark registration and applications for the said marks, and their extensive promotion throughout the world, the public has come to recognize products bearing the HITACHI mark as being associated with, and exclusively originating from, Opposer.

“6.11. The IP Code, Paris Convention and TRIPS Agreement categorically prohibit the registration of a mark which is confusingly similar to a well-known mark and which is used on goods identical to those identified with the well-known mark. Respondent-Applicant’s MITASHI mark must be therefore not be allowed to proceed to registration.

Respondent-Applicant’s adoption and use of the MITASHI mark in similar or closely related goods in Class 9 dilute the goodwill associated with the HITACHI mark when used on Opposer’s goods.

“7.1. Respondent-Applicant’s use of the confusingly similar MITASHI mark undoubtedly diminishes the distinctiveness and dilutes the goodwill associated with Opposer’s HITACHI mark which has become distinctive in relation to, and practically synonymous with, electronic, electrical and home appliances in Class 9 distributed and sold by Opposer all over the world.

“7.2. Dilution results when use of a mark by others generates awareness that the mark no longer signifies anything unique, singular or particular, but instead may (or does) denominate several varying items from varying sources. In short, when use of the same or

similar marks by others has caused a mark to become less distinctive than before, it has been diluted.

“7.3. The Respondent-Applicant’s use of the confusingly similar MITASHI mark to identify its electronic product in Class 9 raises the possibility that Opposer’s mark will lose its ability to serve as a unique identifier of the Opposer’s goods. In the same manner, Opposer’s reputation and commercial value will be diminished because the public will associate the lack of quality or prestige of Respondent-Applicant’s goods with Opposer’s Class 9 goods.

“7.4. Opposer’s HITACHI mark is a fanciful mark and, hence, highly distinctive. This distinctiveness is protected under our laws, especially under Paragraph (e) of Section 123.1 of the IP Code as restated under Section 147.2 of the same Code. Said provisions are based on the judgment that ‘the stimulant effective of a distinctive and well-known mark is a powerful selling tool’ which deserves broad legal protection.

“7.5. The allowance of Respondent-Applicant’s MITASHI mark will diminish the distinctiveness of Opposer’s HITACHI mark, attained through its long history of providing quality products and will cause immeasurable and irreparable damage and prejudice to Opposer’s global reputation, goodwill and business standing, as well as unfairly prejudice the hapless consuming public. Respondent-Applicant’s adoption of the MITASHI mark is undoubtedly calculated to ride on the popularity and goodwill generated from Opposer’s marketing efforts of its well-known HITACHI mark.

“7.6. ‘A self-respecting person or reputable business does not remain in the shelter of another’s popularity and goodwill but builds one of his own.’ Pursuant to this pronouncement of the Supreme Court, Respondent-Applicant must not be allowed to capitalize on the reputation and selling power of Opposer’s HITACHI mark. The ultimate ratio in cases of grave doubt is the rule that as between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, **any doubt should be resolved against the newcomer** inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.

“7.7. In view of the Opposer’s prior use and registrations of its locally and internationally well-known HITACHI mark, Respondent-Applicant’s Trademark Application No. 4-2008-003770 for the registration of the mark MITASHI, which is confusingly similar to Opposer’s HITACHI mark and is used on similar and closely related goods as those of the Opposer’s, should not be allowed to proceed to registration pursuant to the provisions of the Intellectual Property Code, the Paris Convention, the TRIPS Agreement and relevant jurisprudence.”

The Opposer’s evidence consists of the following:

1. Exhibit “A” – Certificate of Registration No. 002598 issued on 01 December 2000;
2. Exhibits “B” - Certificate of Registration No. 026235 issued on 13 September 1988;
3. Exhibit “C” - Certificate of Registration No. 053536 issued on 28 September 1992;

4. Exhibit "D" Certificate of Registration No. 4-1995-098833 issued on 28 September 2003;
5. Exhibits "E" - Certificate of Registration No. 4-2009-000230 issued on 08 January 2009;
6. Exhibit "F" - Certified copy of Affidavit of Use for Registration No. 10053;
7. Exhibit "G" - Certificate of Registration No. 4-1995-098856 issued on 01 July 2004;
8. Exhibit "H" - Certificate of Registration No. 4-1995-098858 issued on 01 July 2004;
9. Exhibit "I" - List of Opposer's trademark registrations from IPO on-line database;
10. Exhibit "J"- List of Opposer's trademark registration and pending applications worldwide for the HITACHI family of marks;
11. Exhibit "K"- Certified copy of Canadian Certificate of Registration No. 303010;
12. Exhibit "L" - Certified copy of Austrian Certificate of Registration No. 107748;
13. Exhibit "M"- Certified copy of Norwegian Certificate of Registration No. 110586;
14. Exhibit "N" - Certified copy of US Certificate of Registration No. 701266;
15. Exhibit "O" - Certified copy of German Certificate of Registration No. 787528;
16. Exhibit "P" to "P-4" - Photos of Opposer's signboards in Manila bearing the mark HITACHI;
17. Exhibit "Q"- Advertisement in the Philippine Daily Inquirer;
18. Exhibit "R" - Event Handbook of the 2006 Philippine Semiconductor and Electronics Convention and Exhibition (PSECE);
19. Exhibit "S" - Project Report of Opposer at the 2008 PSECE;
20. Exhibit "T" - Project Report of Opposer at the 2007 PSECE;
21. Exhibit "U" -Exhibition Report of Opposer at the 2006 PSECE;
22. Exhibit "V" -Catalogues showing Opposer's products bearing the mark HITACHI;
23. Exhibiy "W" - Printout of relevant pages from the Opposer's website in the Philippines in connection with home electronic apparatus;
24. Exhibit "X" - Materials documenting Opposer's promotional events and activities in the Philippines
25. Exhibit "Y" - Special Issue of HITACHI REVIEW carried on the web for 2008-2009;
26. Exhibit "Z" - 2009 Catalogue of HITACHI Products;
27. Exhibit "AA" -Outline Booklet of the Hitachi Groups and Products 2008-2009;
28. Exhibit "BB" - Copy of the relevant pages of the publication of AIPPI containing a listing of famous trademarks in Japan;
29. Exhibit "CC" - Copy of the Defensive mark registration of the HITACHI mark from the relevant page of IPDL;
30. Exhibit "DD" - Copy of WIPO Case No. D2002-00335 downloaded from the WIPO website;
31. Exhibit "EE" - Copy of WIPO Case No. D2006-1271 downloaded from the WIPO website;

32. Exhibit "FF" – Copy of WIPO Case No. D2000-1542 downloaded from the WIPO website;
33. Exhibit "GG" – Copy of WIPO Case No. D2004-00344 downloaded from the WIPO website;
34. Exhibit "HH", "II" and "JJ" – Annual Reports for 2006, 2007 and 2008;
35. Exhibit "KK" – Copies of the Product Quality Certification and Import Commodity Clearance certificates from the DTI;
36. Exhibit "LL" – Authenticated Affidavit of Mr. Yuji Toda.

This Bureau issued on 22 June 2009 a Notice to Answer and served a copy thereof to the Respondent-Applicant on 02 July 2009. Respondent-Applicant, however, failed to file an Answer. Accordingly, this Bureau issued on 14 October 2009 the Order No. 2009-1514 stating that the Respondent-Applicant had waived its right to file answer and that the case is submitted for decision.

The issues to be resolved in this case are:

1. Whether or not Opposer's mark HITACHI is a well-known mark; and
2. Whether or not Respondent-Applicant's mark MITASHI should be registered.

The Opposer anchors his opposition on Sec. 123.1 (e) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), which provides:

SEC. 123. Registrability. - 123.1 A mark cannot be registered if it:

x x x

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

Corollary thereto, Rule 102 of the Trademark Regulations sets forth the criteria in determining whether a mark is a well-known mark, to wit:

- (a) the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the

presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;

- (b) the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- (c) the degree of the inherent or acquired distinction of the mark;
- (d) the quality-image or reputation acquired by the mark;
- (e) the extent to which the mark has been registered in the world;
- (f) the exclusivity of registration attained by the mark in the world;
- (g) the extent to which the mark has been used in the world;
- (h) the exclusivity of use attained by the mark in the world;
- (i) the commercial value attributed to the mark in the world;
- (j) the record of successful protection of the rights in the mark;
- (k) the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
- (l) the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.

The rule requires that the party claiming a mark to be well-known satisfies at least a combination of the above stated criteria. Undeniably, the HITACHI mark of Opposer is already well-known not only in the Philippines but in other countries. Opposer has been established way back in the year 1910 in Japan.³ To show the extent of the registration of its mark in the world, Opposer submitted a list of the countries where the HITACHI mark is registered and/or has pending application for registration.⁴ Sample certificates of registration of the mark HITACHI in Canada, Austria, Norway, U.S.A. and Germany were also presented.⁵ In the Philippines, the HITACHI mark is also registered in various Classes such as in classes 6, 7, 9, 11.⁶ To show the duration, extent and geographical area of use of the mark in terms of advertising and promotion, the quality image or reputation acquired by the mark, the commercial value attributed thereto, among other things, the Opposer submitted the Annual Reports for the period 2006-2008⁷. Opposer was also recognized as one of the Famous Trademark in Japan by the AIPPI-Japan in 2004.⁸ In the Philippines, Opposer

³ See Affidavit of Mr. Yuji Toda, Exhibit "LL".

⁴ See Exhibit "J".

⁵ See Exhibits "K" to "O".

⁶ See Exhibits "A" to "I".

⁷ See Exhibits "HH" to "JJ".

⁸ See Exhibit "BB".

has extensively advertised its HITACHI products through signboards, newspaper, participation in the Philippine Semiconductor and Electronics Convention and Exhibitions Catalogue, in its own website and in its own promotional events and activities.⁹ Thus, it appears that the Opposer has shown sufficient basis to support its claim that the mark HITACHI is well-known.

As to the second issue, it is emphasized that the essence of trademark registration is to give point out distinctly the origin or ownership of the article to which it is affixed, to secure to him, who has been instrumental in bringing into a 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 products.¹⁰

The marks of the parties are herein reproduced for comparison:

HITACHI

Opposer's Mark

MITASHI

Respondent-Applicant's Mark

The competing marks are "word marks" that appeal both to the visual and aural senses. Opposer's and Respondent-Applicant's are visually distinguishable from each other. However, when pronounced, the contending marks sound the same that one can hardly be distinguished from the other. Similarity in sound alone to an existing or registered mark is a ground for denying registration of a mark. In *Marvex Commercial Co. Inc. vs. Petra Hawpia & Co., and the Director of Patents*¹¹, the Supreme Court ruled that:

"Two letters of 'SALONPAS' are missing in 'LIONPAS': the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance (Co Tiong Sa vs. Director of Patents, 95 Phil. I, citing Nims, The Law of Unfair Competition and Trademarks, 4th ed., Vol. 2, pp. 678-679). **The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of the help of our eyes and must depend entirely on the ear**' (Operators, Inc. vs. Director of Patents, supra).

The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, Unfair Competition and Trade Marks, 1947, Vol. 1, will

⁹ See Exhibits "P" to "X"

¹⁰ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents*, 16 SCRA 495.

¹¹ G.R. No. L-19297. 22 December 1966

reinforce our view that 'SALONPAS' and 'LIONPAS' are confusingly similar in sound: 'Gold Dust' and 'Gold Drop'; 'Jantzen' and 'Jass-Sea'; 'Silver Flash' and 'Supper Flash'; 'Cascarete' and 'Celborite'; 'Celluloid' and 'Cellonite'; 'Chartreuse' and 'Charseurs'; 'Cutex' and 'Cuticlean'; 'Hebe' and 'Meje'; 'Kotex' and 'Femetex'; 'Zuso' and 'Hoo Hoo'. Leon Amdur, in his book 'Trade-Mark Law and Practice', pp. 419-421, cites, as coming within the purview of the idem sonans rule, 'Yusea' and 'U-C-A', 'Steinway Pianos' and 'Steinberg Pianos', and 'Seven-Up' and 'Lemon-Up'. In *Co Tiong vs. Director of Patents*, this Court unequivocally said that 'Celdura' and 'Cordura' are confusingly similar in sound; this Court held in *Sapolin Co. vs. Balmaceda*, 67 Phil. 795 that the name 'Lusolin' is an infringement of the trademark 'Sapolin', as the sound of the two names is almost the same.

In the case at bar, 'SALONPAS' and 'LIONPAS', when spoken, sound very much alike. **Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties** (see *Celanese Corporation of America vs. E. I. Du Pont*, 154 F. 2d. 146, 148)."

And as correctly pointed out by Opposer, in actual trade, buyers do not merely rely on the visual representation of a mark but also on its phonetic articulation. The sound or verbalization of a mark plays an important part in its recognition by the public. Aside from visual advertising, most businesses rely on word of mouth in building its goodwill and reputation. Loyal and satisfied customers often recommend a product by word of mouth. Thus, the goodwill created by trademarks likewise spreads, transfers and is conveyed by word of mouth, as applied in the actual conditions in the market.¹²

What is more, aside from the similarity in sound of the competing marks, Respondent-Applicant also seeks to register its MITASHI mark for goods under Class 9, which are similar or closely related to, and competing with, those covered by Opposer's HITACHI mark. Respondent-Applicant's goods such as microphones, speakers, dvd players, car stereos, amplifier cords, testers, battery chargers, telephone sets, gaming accessories, namely, joysticks and memory cards are similar or closely related to Opposer's telephonic, radio, television, video, audio and stereo equipments and apparatus. Considering the similarity of the marks as well as the similarity or relatedness of the goods of the parties, it is likely that the purchasing public who is familiar with Opposer's products would commit mistake or be confused into believing that Respondent-Applicant's product originated from or is sponsored by Opposer. As such, the registration of Respondent-Applicant's mark should be denied.

Furthermore, an opposition proceeding is in effect a review of the trademark application in question, to determine if the requirements of the law are met. In this regard, this Bureau may take cognizance of the contents of the filewrapper via judicial notice. Aptly, this Bureau notices that the Respondent-Applicant previously attempted to register the mark "MITASHI JAPAN" (Application Serial No. 4-2008-0010720). The application was rejected by the Bureau of Trademarks. This only shows the intent of the Respondent-Applicant to pass-off or to create an impression among the consumers that the mark is a Japanese brand or associated with Japan. However, there is no

¹² See Verified Notice of Opposition, paragraph 5.5.

evidence to show that the Respondent-Applicant is a Japanese corporation or is associated with any business enterprise coming from or based in Japan.

It must be emphasized that the registration of trademarks involves public interest. Public interest, therefore, require that only marks that would not likely cause deception, mistake or confusion should be registered. The consumers must be protected from deception, mistake or confusion with respect to the goods or services they buy. Trademarks serve to guarantee that the product to which they are affixed comes up to a certain standard quality. Modern trade and commerce demands that depredations on legitimate trademarks should not be countenanced. The law against such depredations is not only for the protection of the owner but also, more importantly, for the protection of consumers from confusion, mistake, or deception as to the goods they are buying.¹³

WHEREFORE, premises considered the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2008-008155 be returned together with a copy of this DECISION to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 04 June 2013.



Atty. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

¹³ *Le Chemise Lacoste, S.A. v. Oscar C. Fernandez et. al.*, G.R. Nos. 63796-97 and G.R. No. 65659, 21 May 1984.