



KABUSHIKI KAISHA HITACHI
SEISHAKUSHO,

Opposer,

-versus-

RAM NANDWANI,
Respondent-Applicant.

x-----x

IPC No. 14-2009-00048

Case Filed: 09 February 2009

Opposition to:

Appln. Serial No. 4-2008-003770

Date filed: 02 April 2008

Trademark: "HITOSHI AND
DEVICE"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 179 dated September 10, 2013
(copy enclosed) was promulgated in the above entitled case.

Taguig City, September 10, 2013.

For the Director:

Edwin A. Danilo
Atty. EDWIN DANILO A. DANILO
Director III, Bureau of Legal Affairs

CERTIFIED TRUE COPY
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DECISION

KABUSHIKI KAISHA HITACHI SEISHAKUSHO ("Opposer")¹ filed on 09 February 2009 an opposition to Trademark Application Serial No. 4-2008-003770. The application, filed by RAM NANDWANI ("Respondent-Applicant")², covers the mark "HITOSHI and DEVICE" for use on "blender, iron, rice cooker, stoves and electric fan" under Classes 7, 9 and 11 of the International Classification of Goods and Services³.

The Opposer alleges among other things, the following:

1. Respondent-Applicant's "HITOSHI and DEVICE" mark is confusingly similar or nearly resembles Opposer's registered HITACHI MARKS, so as to deceive and cause confusion among consumers and is thus unregistrable under Section 123.1 (d) of the IP Code.
2. Respondent-Applicant's mark "HITOSHI and DEVICE" is confusingly similar to Opposer's HITACHI MARKS, which are well-known internationally and in the Philippines, and is thus unregistrable under Sections 123.1 (e) and (f) of the IP Code and international treaties.
3. Respondent-Applicant used and appropriated the mark "HITOSHI and DEVICE" in bad faith.
4. Respondent-Applicant's use of the mark "HITOSHI and DEVICE" will falsely indicate a connection between Opposer and Respondent-Applicant; thus, such use will unfairly allow Respondent-Applicant to ride on the Opposer's business reputation and goodwill, thereby causing incalculable and irreparable damage not only to Opposer but to the consuming public as well.

To support its opposition, Opposer submitted in evidence the following:

1. Exhibit "A" - A visual representation of the blending of the images and characters composing the HITACHI mark;

¹ A corporation organized and existing under the laws of Japan, with office address at 6-6, Marunouchi I-chome, Chiyoda-ku, Tokyo, Japan.

² A natural person with address at 609 Macopa St., Juna Subdivision, Matina, Davao City.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the 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 Purpose of the Registration of Marks concluded in 1957.

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2. Exhibits "B" to "D" - Certified true copy of Reg. Nos. 052947 and printouts of the details appearing on the IPO on-line database confirming the registrations of the marks in the table bearing 4-1995-098856 and 4-1995-098858;
3. Exhibit "E" - A list of all Opposer's trademark registrations;
4. Exhibit "F" - A list showing the details of all the Opposer's pending applications and registrations for the "HITACHI" mark worldwide;
5. Exhibit "G" - The duly authenticated Affidavit of Mr. Yuji Toda General Manager of the Trademark Center, Intellectual Property Group of the Opposer attesting to the popularity and well-known status of the "HITACHI" marks;
6. Exhibit "H" - Sample label of Respondent-Applicant's mark HITOSHI U.S.A. Technology Model LB-165 for its goods rice cooker;
7. Exhibit "I" - Delivery Receipt dated 22 January 1009 No. 2319 for goods covering the mark HITOSHI rice cooker sold to Ed Solis at Lane Bargain Bazar Davao City;
8. Exhibits "J" to "X" - Certified copies of a representative sampling of registration certificate for the HITACHI marks;
9. Exhibits "Y" to "FF" - Samples of advertising/promotional materials all showing the HITACHI marks and documents evidencing Opposer's promotional activities within the Philippines;
10. Exhibits "GG" to "GG-8" - Materials documenting Opposer's promotional events and activities in the Philippines elicited from Opposer's internal record-keeping systems;
11. Exhibit "HH" - Special issue of HITACHI review carried on the web for the year 2008-1009;
12. Exhibit "II" - 2009 catalogue of HITACHI products;
13. Exhibit "JJ" - Outline booklet of the HITACHI Groups and Products 2008-2009;
14. Exhibit "KK" - A copy of the relevant pages of the publication of the Association for the Protection of Intellectual Property of Japan (AIPPI) containing a listing of famous trademarks in Japan;
15. Exhibit "LL" - Printouts of the defensive mark registration of the HITACHI mark from the relevant pages of the Industrial Property Digital Library;
16. Exhibit "MM" - Product Quality Certification and Import Commodity Clearance Certificate from the Department of Trade and Industry; and
17. Exhibits "NN", "OO" and "PP" - Opposer's Annual Reports for the year 2006, 2007 and 2008.

On 25 May 2009, Respondent-Applicant filed his verified answer denying all the material allegations of the opposition and further argued that his trademark application for the registration of mark HITOSHI and Device is not proscribed by Sec. 123.1 (d) of the IP Code as it is not identical and does not bear any resemblance with the HITACHI marks of the Opposer.

Respondent-Applicant's evidence consists of the following:

1. Annexes "1" to "18" - Electronic copies of search results in the internet showing that the name "HITOSHI" is a common Japanese family name and is not in anyway connected to the word "HITACHI" which is of Chinese origin;
2. Annex "19" - Affidavit of Emelita G. Babao;
3. Annex "20" - Affidavit of Rosemarie C. Ador; and

4. Annex "21" – Affidavit of Sharon Grace S. Sanoy.

The Opposer filed its "Reply to Verified Answer" on 05 June 2009. The Respondent-Applicant, on the other hand, filed its "Rejoinder" on 03 August 2009. Then after, a preliminary conference was conducted and terminated on 20 August 2009. The Opposer and the Respondent-Applicant filed their position papers on 02 October 2009 and 09 October 2009, respectively.

Should the Respondent-Applicant's trademark application for the registration of the mark HITOSHI and DEVICE be allowed?

The issue of whether or not HITACHI is a well-known mark has already been determined by this Bureau in Inter Partes Case No. 14-2009-00154 entitled *Kabushiki Kaisha Hitachi Saisakusho v. Kamla, Incorporated*. In Decision No. 2013-100 dated 04 June 2013, this Bureau ruled that based on the evidence and record, HITACHI satisfies the requirement to be declared as a well-known mark under Rule 102 of the Trademark Regulations.

Indeed, the records show that at the time the Respondent-Applicant filed his trademark application on 02 April 2008, the Opposer has already existing registrations in the Philippines for the mark HITACHI bearing Registration No. 52947 issued on 15 July 1992 for goods under Classes 7, 8, 9, 10, 11 and 12⁴ and Registration No. 4-1995-098856 issued on 01 July 2004 for the mark CIRCULAR DEVICE⁵. The Opposer has likewise registered its mark in several jurisdictions⁶.

HITACHI, therefore, is a trademark that is protected under Section 123.1, pars. (d) to (f) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines, which provides:

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

x x x

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

(i) The same goods or services, or

(ii) Closely related goods or services, or

(iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant

⁴ Exhibit "B".

⁵ Exhibit "C".

⁶ Exhibit "E".

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 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;

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

The question now is: does HITOSHI resemble HITACHI such that confusion, or even deception is likely to occur?

The marks are depicted below:



Opposer's Mark



Respondent-Applicant's Mark

The marks in dispute are composite marks consisting of a word component and a device. Visually, the marks are distinguishable from each other. The last four (4) letters of Opposer's mark consists of "ACHI" while the Respondent-Applicant's "OSHI". However, when the two words are pronounced, they give the same sound effects. The Opposer's HITACHI and the Respondent-Applicant's HITOSHI are, therefore, confusingly similar in sound.

Time and again, it has been ruled that similarity of sound is sufficient ground to rule that the marks are confusingly similar. In the case of *Marvex Commercial Co., Inc. vs. Petra Hawpia & Co. and the Director of Patents*⁷, the Supreme Court categorically 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. 1, 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*).

⁷ G. R. No. L-19297, December 22, 1966.

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 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)."

In addition, the Respondent-Applicant seeks to register its mark for goods under Classes 7, 9 and 11, particularly, blender, iron, rice cooker, stoves and electric fan, which are similar or closely related with those covered by the Opposer's registration consisting of a wide variety of consumer goods such as electrical machines and equipment products under Classes 7, 9 and 11. Thus, it is highly probable that the purchasers will be led to believe that Respondent-Applicant's products originated from or is sponsored by Opposer. It is settled that likelihood of confusion extends not only as to the purchaser's perception of the goods but likewise on its origin. 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, "defendants 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* where "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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."

Moreover, the Respondent-Applicant asserts that its mark is a name of Japanese origin. According to the Respondent-Applicant, HITOSHI is a common name in Japan and is even used as a shipping company name therein. However, there is no plausible explanation why the Respondent-Applicant chose a mark that is of Japanese origin. Respondent-Applicant does not claim to be a Japanese nor associated or connected with that country, its people, or businesses. As correctly pointed out by the Opposer, the Respondent-Applicant's use and adoption of the Japanese word/name HITOSHI as a mark may be appreciated by the public as relating to a Japanese product, company or manufacturer⁸. This will create the impression among consumers that the mark is a Japanese brand or associated with Japan, which in fact, is

⁸ Page 13 of the Verified Notice of Opposition.

not. Indeed, Respondent-Applicant's bare assertion for the adoption of HITOSHI as a mark by reason of his interest in Japanese names is not credible. On the contrary, absent any sufficient evidence or explanation, it may be considered merely as a convenient excuse for such an unfair choice of mark. As can be gleaned from the appearance of the marks, the configuration of the Respondent-Applicant's mark is calculated to approximate the visual appearance of the Opposer's mark. The changes in the spelling and the details of the device did not diminish the likelihood of confusion. Aptly, confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.⁹

It is emphasized that the registration of trademarks involves public interest. Public interest, therefore, requires 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.¹⁰

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filer wrapper of Trademark Application Serial No. 4-2008-003770 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 September 2013.


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



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⁹ See *Societe Des Produits Nestle S. A. v. Court of Appeals*, G. R. No. 112012, 4 April 2001.

¹⁰ *Le Chemise Lacoste S. A. v. Oscar C. Fernandez, et. al.*, G. R. Nos. 63796-97 and G. R. No. 65659, 21 May 1984.