



KENSONIC, INC.,
Opposer,

-versus-

VERONICA TENG,
Respondent-Applicant.

X-----X

} IPC No. 14-2010-00112
} Opposition to:
} Appln. Serial No. 4-2008-003814
} Date filed: 03 April 2008
} TM: "SAKURA & DEVICE"
}
}
}
}

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 169 dated August 14, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 14, 2013.

For the Director:

Edwin A. Dating
Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



KENSONIC, INC.,
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IPC No. 14-2010-00112

Opposition to Trademark
Application No. 4-2008-003814
Date Filed: 03 April 2008

Trademark: **SAKURA & DEVICE**
Decision No. 2013- 169

DECISION

Kenasonic, Inc.¹ (Opposer) filed on 01 June 2010 an opposition to Application No. 4-2008-003814. The contested application, filed by Veronica Teng² (Respondent-Applicant), covers the mark "SAKURA & DEVICE" for use on *"1 way switch; 3 way switch, 1-gang switch w/ plate set, through cord switch, square switch; surface tumbler switch, knife switch 2p fuse type, power pushbutton switch, regular outlet, 1-gang universal outlet w/ plate set, 2-gang regular outlet with plate set, 3-gang regular outlet with plate set, 3 wire ground outlet, 2 gang duplex w/ ground outlet w/ plate set, 21-gang duplex w/ ground outlet w/ plate set, aircon outlet, aircon outlet 1 gang w/ plate set, 2 gang 2 pole socket, 3 gang 2 pole socket, 2 gang 2 pole universal socket, 3 gang 2 pole universal socket, 4 gang surface duplex outlet, tv cable outlet, 1-gang tv cable outlet w/ plate set, 2 gang telephone outlet w/ plate set, telephone outlet, pushbutton switch, weatherproof cover, surface type pvc utility box, utility box, junction box, junction box cover, female plug base, adaptor plug flat pin to round tap, regular plug, rubber plug, water proof rubber socket, budget wall light, concealed receptacle, surface socket porcelain, keyless socket, candelabra socket"* and *"budget wall-light"* under Classes 09 and 11 of the International Classification of Goods³.

Opposer states that it is engaged in the business of dealing with and distributing all kinds of electronic goods and wares. It claims to have used the mark "SAKURA" in the Philippines to designate its goods under Class 09 since October 2004. Prior to the instant opposition, the Opposer filed a Petition for Cancellation against herein Respondent-Applicant's Certificate of Registration No. 4-2006-001055 issued on 01 April 2007 for the mark "SAKURA & DEVICE" for goods under Classes 06, 09 and 11. On 21 August 2008, Decision No. 2008-152 was issued by the Bureau of Legal Affairs (BLA), which ruling was in favor of

¹ A corporation duly organized and existing under the laws of the Philippines with office address at Lot 3 T.S. Sarino Subdivision, Real St., Pulang Lupa, Las Piñas City.

² A Filipino with address at Unit A-4 No. 23 Sta. Rosa St. Quezon 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.

Republic of the Philippines

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Opposer. Respondent-Applicant subsequently filed a Motion for Reconsideration. Despite the aforementioned decision, Respondent-Applicant filed this subject application for registration of "SAKURA & DEVICE" for goods under Classes 09 and 11.

Opposer advances that the contested mark is substantially the same as the "SAKURA" mark applied for registration by it under Application No. 4-2001-005131 and Application No. 4-2007-011902 on 18 July 2001 and October 2007, respectively. It further contends that aside from being identical and/or confusingly similar with its own trademark, the goods intended to be covered by the subject mark are related with that of Opposer's. It avers that its actual and continued use of the mark "SAKURA" since 1994 was recognized by this Bureau in Decision No. 2005-21 resolving IPC Case No. 14-2004-00160 against Uni-Line Multi Resources, Inc. (Philippines).

In support of its contentions, Opposer presented the following:

1. Secretary's Certificate authorizing Ms. Nenita K. Tsang to sign the Verification of the Notice of Opposition behalf of the corporation;
2. certification of the Intellectual Property Office (IPO) that the Decision dated 21 August 2008 is a true copy of the original;
3. Decision dated 21 August 2008 of the BLA in IPC Case No. 14-2007-00177;
4. certification by the IPO that the Decision dated 29 November 2005 is the true copy of the original;
5. Decision dated 29 November 2005 of the BLA in IPC Case No. 14-2004-00160;
6. certification by the IPO that the Entry of Judgment/Execution date 09 August 2006 is the true copy of the original;
7. Entry of Judgment/Execution of Decision in IPC Case No. 14-2004-00160;
8. certification by the IPO that the Decision dated 07 August 2008 is the true copy of the original;
9. Decision No. 07 August 2008 of the BLA in IPC Case No. 14-2003-00183;
10. certification of the IPO that the Decision dated 11 August 2008 is the true copy of the original;
11. Decision dated 11 August 2008 by the BLA in IPC Case No. 14-2006-00139;
12. Certification by the IPO that the Decision dated 24 October 2008 is true copy of the original;
13. Decision dated 24 October 2008 of the BLA in IPC Case No. 14-2006-00126;
14. certification by the IPO that the Opposer's Application No. 4-2001-005131 for registration of the "SAKURA" mark with filing date of 18 July 2001 is the true copy of the original;
15. Opposer's Application No. 4-2001-005131;

16. certification by the IPO that the Application No. 4-2007-011902 is the true copy of the original;
17. Opposer's Application No. 4-2007-011902;
18. certification by the IPO that the copy of the Opposer's Declaration of Actual Use (DAU) is the true copy of the original;
19. Opposer's DAU of the mark "SAKURA" from 22 October 2004 dated 22 October 2002;
20. duly notarized Affidavit of Ownership executed by Nenita K. Tsang;
21. copy certification issued by the Notary Public that the attached Certificate of Registration is the true, accurate and complete copy of the original;
22. DTI Certificate of Registration of "Audio Crown Enterprises" dated 05 July 1999;
23. certification by the IPO that the Sales Invoice No. 7643 issued by the Audio Crown Enterprises dated 14 December 1993 is the true copy of the original;
24. Sales Invoice No. 7643;
25. certification by the IPO that the various Bills of Lading and Societe General de Surveillance Clean Report of Findings showing importation by Audio Crown Services of various electronic and audio equipment are the true copies of the original;
26. various Bills of Lading and Societe General de Surveillance Clean Report of Findings showing importation by Audio Crown Services of various electronic and audio equipment;
27. Articles of Incorporation of Opposer;
28. certified true copy of the General Information Sheet (GIS) filed by Opposer with the Securities and Exchange Commission (SEC) on 30 April 2009;
29. Affidavit executed by the Proprietor of Master Fix General Merchandise Lights & Sounds attesting that Opposer has been his direct supplier of "SAKURA" products in the Philippines and that he is not aware of any other entity providing "SAKURA" products other than Opposer;
30. Affidavit executed by the Proprietor of Solid Electronics attesting that Opposer has been his direct supplier of "SAKURA" products in the Philippines and that he is not aware of any other entity providing "SAKURA" products other than Opposer;
31. Affidavit executed by the Proprietor of Martcom Cellular & Electronic Center attesting that Opposer has been his direct supplier of "SAKURA" products in the Philippines and that he is not aware of any other entity providing "SAKURA" products other than Opposer;
32. Affidavit executed by the Proprietor of Unitronic Marketing attesting that Opposer has been his direct supplier of "SAKURA" products in the Philippines and that he is not aware of any other entity providing "SAKURA" products other than Opposer;
33. Affidavit executed by the Proprietor of Newport Electronic Center attesting that Opposer has been his direct supplier of "SAKURA" products in the

- Philippines and that he is not aware of any other entity providing "SAKURA" products other than Opposer;
34. Affidavit executed by the Proprietor of Electrocom Electronic and Supply attesting that Opposer has been his direct supplier of "SAKURA" products in the Philippines and that he is not aware of any other entity providing "SAKURA" products other than Opposer;
 35. certification issued by the IPO of the newspaper article published by Opposer in page 10 of the 12 September 2008 edition of Gold Star Daily Cebu as part of its advertising and publicity campaign of "SAKURA" products;
 36. certified true copy of the newspaper article published by Opposer in page 10 of the 12 September 2008 edition of Gold Star Daily Cebu as part of its advertising and publicity campaign of "SAKURA" products;
 37. certified true copy of the newspaper article published by Opposer in page B-6 of the 12 August 2008 edition of the Philippine Star as part of its advertising and publicity campaign of "SAKURA" products;
 38. certified true copy of the newspaper article published by Opposer in page 16 (lower right fold) of the 23 August 2008 edition of Philippine Chinese Daily as part of its advertising and publicity campaign of "SAKURA" products;
 39. certified true copy of the certification issued by Ms. Magdalena Uy attesting that Exhibit "Q-3-b" is a true, complete and accurate translation of Exhibit "Q-3";
 40. certified true copy of the English translation of the news article published by Opposer in page 16 (lower right fold) of the 23 August 2008 edition of Philippine Chinese Daily;
 41. certified true copy of the news article published by Opposer in page 25 (lower right fold) of the 14 August 2008 edition of World News as part of its advertising and publicity campaign of "SAKURA" products;
 42. certified true copy of the certification issued by Ms. Magdalena Uy attesting that Exhibit "Q-4-b" is a true, complete and accurate English translation of exhibit "Q-4";
 43. certified true copy of the English translation of the news article published by Opposer in page 9 (lower right fold) of the 18 August 2008 edition of the United Daily News;
 44. curriculum vitae of Ms. Magdalena G. Uy;
 45. certification by the IPO that Sales invoice Nos. 6632, 6648, 19392, 4585, 4598, 7002, 8526, 71005, 83362, 97550, 97896, 01027, 00002, 00361, 00261, 01138 and 16990 annexed are true copies of the original file with the IPO as part of the records of IPC Case No. 14-2009-00065;
 46. certified true copy of various sales invoice for sale of Sakura products;
 47. Affidavit executed by Tsang Wing Kuen, Vice President and Treasurer of Opposer;

48. certification issued by the IPO that the Memorandum of Agreement dated 08 August 1994 between Opposer and Foshan Shaw Audio Electric Co., Ltd, its corresponding English translation and the certification annexed thereto are true copies of the originals on file with the IPO as part of the records in IPC Case No. 14-2010-00108;
49. certified true copy of the 08 August 1994 Memorandum of Agreement;
50. certification issued by Ms. Uy attesting that Exhibit "V-3" is a true, complete and accurate English translation of Exhibit "V-1";
51. certified true copy English translation of the 08 August 1994 Memorandum of Agreement;
52. certification issued by the IPO that the Memorandum of Agreement between Opposer and Xi Hua Audio Equipment Factory, its corresponding English translation and the certification annexed thereto are true copies of the originals on file with the IPO as part of the records in IPC Case No. 14-2010-00108;
53. certified true copy of the Memorandum of Agreement between Opposer and Xi Hua Audio Equipment Factory;
54. certified true copy of the certification issued by Ms. Uy attesting that Exhibit "W-3" is a true, complete and accurate English translation of Exhibit "W-1";
55. certification issued by the IPO that the Memorandum of Agreement between Opposer and Fine Star Acoustic Installations Factory Ltd., its corresponding English translation and the certification annexed thereto are true copies of the originals on file with the IPO as part of the records in IPC Case No. 14-2010-00108;
56. certified true copy of the Memorandum of Agreement between Opposer and Fine Star Acoustic Installations Factory Ltd.;
57. certified true copy of the certification issued by Ms. Uy attesting that Exhibit "XW-1" is a true, complete and accurate English translation of Exhibit "X-1";
58. certified true copy of the English translation of the Memorandum of Agreement between Opposer and Fine Star Acoustic Installations Factory Ltd.;
59. Bill of Lading No. HKMN/CFS-1022 dated 12 January 1994;
60. Packing List No. 93CMS067-P dated 12 January 1994;
61. SGS Advance Clearance reports;
62. original certificate of origin dated 17 October 1994;
63. certification by the IPO that the letter and communications annexed thereto are true copies of the originals on file;
64. copies of various letters and communications between Opposer and Waterwell Trading Co. of Hongkong regarding the details of Sakura products manuals;

65. copy certification by the Notary Public that the attached brochures entitled "Sakura the Future of Entertainment Manual Volume" are true, accurate and complete copy of the original;
66. Sakura products as shown in the manuals;
67. Copy certification by the Notary Public certifying that the attached brochure SAKURA New Generation BVD is a true, accurate and complete copy of the original;
68. SAKURA New Generation DVD Flyer.

For its part, Respondent-Applicant refutes Opposer's allegation that the latter will be damaged and prejudiced with the grant of its application. It insists that it filed Application No. 4-2008-003814 on 03 April 2008 in good faith for registration of "SAKURA & DEVICE" covering goods under Classes 09 and 11. It denies that the decisions in IPC Case Nos. 14-2004-00160, 14-2006-00183, 14-2006-139 and 14-2006-00126 cited by the Opposer are applicable in the present case on the ground that it is not party in those cases and that the goods involved therein is neither the same or closely related to those involved in its application. With respect to Decision No. 2008-152 promulgated in IPC Case No. 14-2007-00177, wherein it is a party, it claims that the same is contrary to the IP Code and the evidence presented therein and that the same is not yet final.

Respondent-Applicant furthers that Opposer has no registration for the marks "SAKURA" & "SAKURA & DEVICE". Also, it alleges that "SAKURA" is a common word which means "cherry blossom". Thus, it maintains that the Opposer cannot have a monopoly or exclusive right to register the trademarks "SAKURA" and "SAKURA & Device".

The evidence presented by Respondent-Applicant are as follows:

1. copy of Application Serial No. 4-20080003814 for the registration of the trademark "SAKURA & DEVICE";
2. copy of the Registrability Report bearing mailing date of 16 May 2008;
3. copy of Respondent-Applicant's response to registrability report filed on 17 June 2008;
4. copy of the Notice of Allowance bearing mailing date of 29 October 2009;
5. printout of Respondent-Applicant's mark "SAKURA & DEVICE" as published in the e-Gazette last 01 February 2010; and,
6. duly notarized Affidavit of Veronica D. Teng.

A preliminary conference was scheduled 19 October 2010. On the same day, the same was terminated and the Hearing Officer issued Order No. 2010-1237 requiring the parties to submit their respective position papers. After which, the case was submitted for decision.

Now, the issue to be resolved is whether the trademark application of Respondent-Applicant should be granted.

Prefatorily, it is emphasized that the essence of trademark registration is to give protection to the owners of trademarks. 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.⁴

Section 123.1 (d) and (e) of the IP Code provides that:

"123.1. A mark cannot be registered if it:

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing 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 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;

xxx"

The contending marks are as follows: Opposer's mark "SAKURA" and Resondent-Applicant's mark "SAKURA & DEVICE". While Respondent-Applicant filed its application on 03 April 2008, the Opposer filed as early as on 18 July 2001. For comparison, the two marks are reproduced as follows:

⁴ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.



Opposer's mark



Respondent-Applicant's mark

When one looks at the Opposer's mark, what is impressed and retained in the eyes and mind is the word "sakura", which is the dominant feature of the mark that identifies the product and the source thereof. Upon scrutiny of Respondent-Applicant's mark, the same conclusion may be withdrawn therefrom. There is no doubt that the two marks are identical in spelling and the same sounding when pronounced. Both are also written in blocked letters. That Respondent-Applicant's mark includes a flower device pales into insignificance in view of the glaring similarities of the marks. 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 purchased as to cause him to purchase the one supposing it to be the other.⁵

Succinctly, since the Respondent-Applicant will use or uses the mark "SAKURA & DEVICE" to goods that are similar and/or closely related to that of Opposer's registered mark "SAKURA", the addition of the flower device will not diminish the likelihood of the occurrence of confusion, mistake and/or deception. It is highly probable that the purchasers will be led to believe that Respondent-Applicant's mark is a mere variation of Opposer's mark. Withal, the protection of trademarks as intellectual property is intended not only to preserve the goodwill and reputation of the business established on the goods bearing the mark through actual use over a period of time, but also to safeguard the public as consumers against confusion on these goods.⁶

Moreover, it is settled that the likelihood of confusion would not extend 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, "defendant's goods are then bought as the plaintiff's, and the poorer quality of

⁵ Societe des Produits Nestle,S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

⁶ Skechers, USA, Inc. vs. Inter Pacific Industrial Trading Corp., G.R. No. 164321, 23 March 2011.

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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."⁷

Noteworthy, the contested mark in this case has been previously a subject of a cancellation proceeding, IPC Case No. 14-2007-00177, likewise between Opposer and Respondent-Applicant. Opposer filed a petition to cancel "SAKURA & DEVICE", which was then covered by Registration No. 4-2006-001055. On 21 August 2008, Decision No. 2008-152 was rendered in favor of Opposer, the pertinent portion of which states as follows:

"As to the fourth issue, the Bureau rules that the prima facie presumption of rights granted by Section 138 of the IP Code to respondent-registrant has been overturned by petitioner's substantial evidence such that though she was issued a registration of the mark 'SAKURA & DEVICE' for Classes 06, 09 and 11, respondent-registrant cannot be deemed to have acquired ownership of the mark 'SAKURA & DEVICE' for use on goods enumerated in her certificate of registration under Classes 06, 09 and 11 as well as on the goods related thereto, because such mark is confusingly similar to petitioner's mark 'SAKURA' and this Bureau has ruled that petitioner's goods even under Classes 06 and 11 are related.

As to the fifth issue, thus, this Bureau rules that though IPC Case No. 2004-00160 is an action in personam and that the principle of res judicata was not applied to the instant case, the actual finding of the Bureau that petitioner (as oppose in the opposition case) was able to prove and establish that it had adopted and used since 1994 the mark 'SAKURA' on Class 09 goods, namely, amplifier, speaker, cassette, cassette disk, video cassette disk, car stereo, television, digital video disk, mini component, tape deck, compact disk charger, VHS, and tape rewriter, which petitioner proved by way of a certified copy of Decision No. 200521 as documentary evidence under Section 2, Rule 130 [B] of the Rules of Court, shows that petitioner has a better right to the mark 'SAKURA' as it is in fact the owner of such mark for the goods aforementioned under Class 09 and for goods related thereto. Said factual findings binds respondent-registrant as the certified copy of Decision No. 2005-21 is an admissible and competent documentary evidence per the Rules of Court that proved the aforesaid factual finding contained in said Decision."

Respondent-Applicant initially sought reconsideration of the above-cited Decision. However, it subsequently filed a Manifestation stating that she filed her Voluntary Surrender Letter of Registration No. 4-2006-001055. On 25 November

⁷ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 1772276, 08 August 2010.

2011, Order No. 2011-105 (D) was issued stating that there is no reason to proceed with the case and that the Decision ordering the cancellation of Respondent-Applicant then registered mark stands. There is no reason to deviate from this ruling since the issue resolved between the parties is the issue of ownership of the mark "SAKURA".

This Bureau finds no merit in the Respondent-Applicant's argument that the Opposer cannot have monopoly of the mark "SAKURA" because it is a common words meaning "cherry blossom". The word "sakura" can be registered as a trademark and the registrant has exclusive use thereof. The word in this case is neither generic nor descriptive of the goods covered by the Opposer's trademark registration. Even if the word is a common word, if it is not the descriptive or generic name of the goods it represents, it can be registered as a trademark.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application No. 4-2008-003814 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 14 August 2013.


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