



DAISO INDUSTRIES CO., LTD.,  
Opposer,

-versus-

MA. OLIVIA TAN,  
Respondent-Applicant.

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}  
} IPC No. 14-2012-00447  
} Opposition to:  
} Appln No. 4-2012-002508  
} Date filed: 29 February 2012  
} TM: "MYSMART ONE-SHOP  
} DAISO"

### NOTICE OF DECISION

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**GREETINGS:**

Please be informed that Decision No. 2015 - 03 dated January 12, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 12, 2015.

For the Director:

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



**DAISO INDUSTRIES CO., LTD.,**  
Opposer,

IPC NO. 14-2012-00447

-versus-

Opposition to:  
Appln. Serial No. 4-2012-002508  
Date Filed: 29 February 2012

**MA. OLIVIA TAN,**  
Respondent-Applicant.

**Trademark: "MYSMART ONE-SHOP  
DAISO"**

X-----X

Decision No. 2015- 03

### DECISION

DAISO INDUSTRIES CO, LTD.,<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-002508. The application, filed by MA. OLIVIA TAN, ("Respondent-Applicant")<sup>2</sup>, covers the mark "MYSMART ONE-SHOP DAISO" for use on "*retails stores or online stores for household goods, home products, bathwares, electronics, hardware, kitchenware, general merchandise, management and franchising of retail services*" under Class 35 of the International Classification of goods and services<sup>3</sup>.

The Opposer anchors its opposition on the provisions of Section 123.1, subparagraphs (d), (e) and (f) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). It asserts ownership over the mark "DAISO", which it has registered in the Philippines, Japan and other countries for the goods and retail services under Classes 21 and 35. It contends that the Respondent-Applicant's mark "MYSMART ONE-SHOP DAISO" is confusingly similar to its own mark and is intended to ride on the popularity and good will of the latter. It also asserts that its mark is well-known as declared by the Director General in his decision rendered last 13 June 2012 in the case of Daiso Industries Cp., Ltd. vs. Japan Home, Inc. docketed as Inter Partes Case No. 14-2009-0047.

According to the Opposer, it started to use its tradename and trademark "DAISO", which in Japanese means "Big Creation", since 1977. It alleges to have successfully registered in Japan the Japanese equivalents of the said mark on 13 April 2001 and 21 January 2005 with respect to goods under Classes 01 to 09, 11, 13 to 22, 24 to 32 and 34. It claims to have also registered "DAISO" as service mark in Japan on 02 October 2009 and 24 June 2011. It avers that its products are sold in five hundred fifty (550) stores all over the world and that it has spent large amounts

<sup>1</sup> A private corporation duly organized and existing and by virtue of the laws of Japan, with business address at 1-4-14 Saijyo Yoshiyukihigashi Higashi Hiroshima City, Japan.

<sup>2</sup> An individual with given address at 35 Sandiko St., BF Homes, Brgy. Holy Spirit, Capitol Hills, Quezon City.

<sup>3</sup> 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. 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.

for advertisements, promotion and publicity worldwide. It moreover states that its products have appeared in publications, newspapers and magazines of international and foreign circulation and have also been featured in Daiso Japan's internet websites.

To support its opposition to the subject trademark application, the Opposer submitted the following as evidence:

1. authenticated original affidavit of Mr. Yuwa Watanabe, its General Manager of the Store Development Department, with annexes;
2. certified true copy of the contents of the file wrapper for Application Serial No. 4-2008-001298;
3. original copy of Daiso Japan's corporate profile brochure; and
4. certified true copy of the Decision dated 13 June 2012 of the Office of the Director General in IPC Case No. 14-2009-0047.<sup>4</sup>

For its part, the Respondent-Applicant disputes the Opposer's claim that the latter's mark is well-known and is confusingly similar to that of the former. It also raises the following technical issues: (a) that the Opposer has no legal capacity to institute the instant opposition for failing to affirmatively allege its capacity to sue, (b) that Mr. Yuwa Watanabe is not authorized to sign the verification and certificate of nonforum shopping and (c) that the Manager's Certificate and/or Special Power of Attorney (SPA) produces no legal effect.

The Respondent-Applicant submitted a Certification of Non-Registration of Company issued by the Securities and Exchange Commission (SEC) as evidence.<sup>5</sup>

Accordingly, the Hearing Officer conducted and terminated the preliminary conference on 14 October 2014. Thereafter, Order No. 2014-1384 was issued on 24 October 2014 wherein the parties were directed to submit their respective position papers within fifteen (15) days from receipt thereof. After submission thereof, the case is deemed submitted for resolution.

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.<sup>6</sup>

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<sup>4</sup> Marked as Exhibits "A" to "D", inclusive.

<sup>5</sup> Marked as Exhibit "1".

<sup>6</sup> Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

Section 123.1 (d), (e) and (f) 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:**

**xxx**

- (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;**

**(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;**

**xxx"**

The contending marks are as follows: Opposer's mark "DAISO" and Respondent-Applicant's mark "MYSMART ONE-SHOP DAISO". While Respondent-Applicant filed its trademark application only on 29 February 2012, the Opposer filed as early as 01 February 2008. For comparison, the two marks are reproduced as follows:

**DAISO**

*Opposer's mark*

**MySmart One-shop Daiso**

*Respondent-Applicant's mark*

There is no dispute that the competing marks both appropriate the word "DAISO", which is the very word sought to be registered by the Opposer as its trademark. The said term is neither generic nor descriptive of the goods it seeks to cover and hence, considered a strong mark. The Respondent-Applicant's addition of the phrase "MYSMART ONE-SHOP" does not lend its mark the distinction as required by law. 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.<sup>7</sup>

Moreover, the goods indicated in the Respondent-Applicant's trademark application are also similar and/or closely related to that of the Opposer's. It is highly likely that the purchasers will confuse or mistake the marks as a mere variation of or in any way connected to each other. Succinctly, 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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."<sup>8</sup>

Furthermore, it is noteworthy that the mark "DAISO" has been declared well-known by the Office of the Director General in the latter's decision rendered on 25 June 2012 in the case of "Daiso Industries, Co., Ltd. vs. Japan Home, Inc." docketed as IPC No. 14-2009-0047<sup>9</sup>, viz:

***"Thus, in the light of multitudinous evidence presented by the Appellant, the contents and statement of facts of which were not assailed nor rebutted by the Appellee, this Office resolves that Appellant's mark DAISO is a well-known mark. As ruled in the above-cited case of Versace, these pieces of evidence are significant, as they bolster the standing of the Appellant's mark as a well-known mark, and prove the vast duration, extent and geographical are covered by the said mark in terms of trademark registration, extensive promotional activity and advertisements in advance of the Appellant's quality-image and reputation, and the proof of market share in the Philippines and other countries."***

<sup>7</sup> Societe des Produits Nestle,S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

<sup>8</sup> Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

<sup>9</sup> Appeal No. 14-09-63.

Accordingly, there is no cogent reason for this Bureau to deviate from this ruling. The Office of the Director General is considered among the competent authorities that may declare a trademark as well-known.

Anent the technical issues raised by the Respondent-Applicant, this Bureau finds no merit thereto.

As to Yuwa Watanabe's authority as General Manager to sign the Verification and Certificate of Nonforum Shopping, the issue has been settled by the Supreme Court in **Swedish Match Philippines, Inc. vs. The Treasurer of the City of Manila**<sup>10</sup> where it declared that:

*"In sum, we have held that the following officials or employees of the company can sign the verification and certification without need of a board resolution: (1) the Chairperson of the Board of Directors, (2) the President of a corporation, (3) the General Manager or Acting General Manager, (4) Personnel Officer, and (5) an Employment Specialist in a labor case."*

Likewise, this Bureau finds the "Manager's Certificate Special Power of Attorney" executed also by Yuwa Watanabe, as having sufficiently complied with the Rules as it is able to show that the law firm of Romulo Mabanta Buenaventura Sayoc & De Los Angeles has been given by the Opposer the authority to represent the latter in the instant case.

**WHEREFORE**, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-002508 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 12 January 2015.

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

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<sup>10</sup> G.R. No. 181277, 03 July 2013.