



KENSONIC, INC.,
Opposer,

-versus-

VERONICA TENG,
Respondent-Applicant.

}
} **IPC No. 14-2010-00108**
} Opposition to:
} Application No. 4-2009-001856
} Date filed: 02 February 2009
} TM: "SAKURA & DEVICE"
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NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 37 dated March 23, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 23, 2015.

For the Director:


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



KENSONIC, INC.,

Opposer,

- versus -

VERONICA TENG,

Respondent-Applicant.

X ----- X

IPC No. 14-2010-00108

Opposition to:

Appln. No. 4-2009-001856

Date Filed: 02 February 2009

Trademark: "SAKURA & DEVICE"

Decision No. 2015 - 37

DECISION

KENSONIC, INC. ("Opposer")¹, filed a verified opposition to Trademark Application Serial No. 4-2009-001856. The application, filed by VERONICA TENG ("Respondent-Applicant")², covers the mark "SAKURA & DEVICE" for use on goods under class 09³ namely: wires and cables.

The Opposer alleges the following:

"3. Opposer is engaged in the business of dealing with, and distributing all kinds of electronic goods and wares, including, among others, speakers, amplifiers, audio/video products, DVD and VCD players, equalizers, mixers, tape decks, tuners, video disc recorders, and other electronic goods, devices, equipment, and accessories belonging to Class 9 of the revised Nice International Classification of Goods and Services.

3.1. Early on in the conduct of its business, herein Opposer started commercially using the mark 'SAKURA' in the Philippines to designate and identify its Class 9 goods. Opposer's use of the mark 'SAKURA' dates as far back to October 1994.

3.2. Since 1994 to the present, Opposer has built and established long and exclusive relationships with dealers and distributors all over the country, for the sale and distribution of its 'SAKURA' products.

3.3. By virtue of Opposer's continuous and extensive use of the mark 'SAKURA' in the Philippines in connection with its electronic products, the mark has become popular and well-known with the purchasing public. In fact, said mark has come to be associated with herein Opposer, such that Opposer is now generally identified as the owner and source of goods bearing the 'SAKURA' mark.

"4. Prior to the instant case, Opposer had already filed a Petition for Cancellation of Respondent-Applicant's Certificate of Registration No. 4-2006-001055 issued on 02 April 2007 for the mark 'SAKURA & DEVICE' for use on goods under Class 6 (namely, metal halides); Class 9 (namely, incandescent bulb, halogens, metal halides, mercury lamps, energy saving lamps, fluorescent lamps, lamps fixtures, table lamps, fluorescent casing open type, fluorescent casing box type, electrical water heater, u type, emergency lights, compact fluorescent, food lights, circular lamp socket, fluorescent lampholder with starter holder).

¹ A corporation existing under and by virtue of the laws of the Philippines, with office address at Lot 3, T.S. Sarino Subdivision, Real Street, Pulang Lupa, Las Pinas City.

² With registered address at Unit A-4 No. 23 Sta. Rosa St., Quezon City.

³ The Nice Classification of goods and services is for registering trademark and service marks, based on a multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

"4.1. Unfortunately for herein Respondent-Applicant, the then Director of the Bureau of Legal Affairs (the 'BLA'), Director Estrellita Beltran-Abelardo, promulgated Decision No. 2008-152 (dated 21 August 2008), ordering the cancellation of Respondent-Applicant's Certificate of Registration no. 4-2006-001055 for the mark 'SAKURA & Device'. x x x

"4.2. Respondent-Applicant filed a Motion for Reconsideration of Decision No. 2008-152 on September 2008, to which Opposer filed its Opposition on 17 October 2008. Subsequent thereto, or on 13 July 2009, Opposer filed a Motion to Resolve respondent-Applicant's Motion for Reconsideration. This Honorable Office, however, has yet to resolve said motions.

"5. Despite the issuance of said Decision no. 2008-152, however, herein Respondent-Applicant still filed the Opposed Application on 01 February 2009, for the registration of the mark 'SAKURA & Device', this time for wires and cables falling under Class 9 of the Revised Nice International Classification of Goods and Services."

The Opposer's evidence consists of the following:

1. Exhibit "A" - Secretary's Certificate;
2. Exhibit "B" - Certification by IPO of Decision dated 21 August 2008
3. Exhibit "B-1"- BLA Decision dated 21 August 2008 in IPC No. 14-2007-00177;
4. Exhibit "C" - Certification by IPO of Decision dated 29 November 2005;
5. Exhibit "C-1"- BLA Decision dated 29 November 2005 in IPC no. 14-2004-00160;
6. Exhibit "D" - Certification of Entry of Judgment/Execution dated 090 August 2006;
7. Exhibit "D-1"- Entry of Judgment/Execution of Decision in IPC No. 14-2004-00160;
8. Exhibit "E" - Certification by IPO of Decision dated 07 August 2008;
9. Exhibit "E-1"- BLA Decision dated 07 August 2008 in IPC No. 14-2006-00183;
10. Exhibit "F" - Certification by IPO of Decision dated 21 August 2008;
11. Exhibit "F-1"- BLA Decision dated 11 August 2008 in IPC No. 14-2006-00139;
12. Exhibit "G" - Certification by IPO of Decision dated 24 October 2008;
13. Exhibit "G-1"- BLA Decision dated 24 October 2008 in IPC No. 14-2006-00126;
14. Exhibit "H" - Certification by IPO of Application No. 4-2001-005131;
15. Exhibit "H-1"- Opposer's Application No. 4-2001-005131;
16. Exhibit "I" - Certification by IPO of Application No. 4-2007-011902;
17. Exhibit "I-1"- Opposer's Application No. 4-2007-011902;
18. Exhibit "J" - Certification by IPO of Declaration of Actual Use (DAU);
19. Exhibit "J-1"- DAU dated 22 October 2002;
20. Exhibit "K" - Affidavit of Ownership by Nenita K. Tsang;
21. Exhibit "L" - Certification by Notary Public of Certificate of Registration;
22. Exhibit "L-1"- DTI Certificate of Registration of Audio Crown Enterprise;
23. Exhibit "M" - Certification by IPO of Sales Invoice No. 7643;
24. Exhibit "M-1"- Sales Invoice No. 7643;
25. Exhibit "N" - Certification by IPO of various Bills of Lading and other documents;
26. Exhibit "N-1"- "N-24"- Various Bills of Lading and other documents;
27. Exhibit "O" - Article of Incorporation of Kensonic Inc.;
28. Exhibit "P" - Affidavit by Proprietor of Master Fix Gen. Merchandising;
29. Exhibit "P-1"- "P-5"- Affidavits executed by various proprietors of business entities;
30. Exhibit "Q"- "Q-4-b"- News articles and Certifications of advertising of Kensonic Inc.;
31. Exhibit "R" - Curriculum Vitae of Magdalena G. Uy;
32. Exhibit "S"- "S-16"- Certification by IPO and certified true copies of various Sales Invoices;

33. Exhibit "T"- "T-4"- Certification by IPO and certified true copies of various Sales Invoices;
34. Exhibit "U" - Affidavit by Tsang Wing Kuen;
35. Exhibit "V"- "V-2", "W"- "W-2", "X" - "X-2"-Memoranda of Agreement, its translation and Certification of accuracy;
36. Exhibit "Y" - Original Bill of Lading No. HKMN/CFS-1022;
37. Exhibit "Y-1"- Original Packing List No. 93CMA067-P;
38. Exhibit "Y-2"- "Y-3"-SGS Advance Clearance Report;
39. Exhibit "Y-4"- Original Certificate of Origin;
40. Exhibit "Z" - Certification of originals;
41. Exhibit "Z-1"- "Z-20"-Copies of various letters and communications;
42. Exhibit "AA"- "CC-3"-Sakura Products; and,
43. Exhibit "DD"- Sakura New Generation DVD Flyer.

On 05 August 2010, Respondent-Applicant filed its Answer containing among others the following Affirmative and/or Special Defenses:

"5.1. The decisions marked by opposer as Exhibits 'C-1'; 'E-1'; 'F-1'; and 'G-1' are neither binding on respondent, nor do they constitute a bar to the approval of her application as she is not a party to the inter partes cases where said decision were promulgated. These inter partes cases are:

5.1.1. IPC No. 14-2004-00160 entitled: 'Kensonic, Inc., opposer, vs. Uni-Line Multi Resources, Inc., respondent-applicant'

5.1.2. IPC No. 14-2006-00183 entitled: 'Kensonic, Inc., petitioner, vs. Uni-Line Multi Resources, Inc. (Phils.), respondent-registrant'

5.1.3. IPC No. 14-2006-00139 entitled: 'Kensonic, Inc., petitioner, vs. Uni-Line Multi Resources, Inc. (Phils.), respondent-registrant'

5.1.4. IPC No. 14-2006-00126 entitled: 'Uni-Line Multi Resources, Inc. (Phils.), opposer, vs. Kensonic, Inc., respondent-applicant'

"5.2. Likewise, the aforesaid decision cited by opposer are not even persuasive insofar as respondent's application is concerned since the goods subject of respondent's Application SN 4-2009-001856 are not the same, nor closely related to the goods specified in the registration certificates or applications involved in the aforementioned inter partes cases where the cited decisions were promulgated. None of the registrations and applications involved in the aforementioned inter partes cases refer to wires and cables falling under Class 09.

x x x

"5.3. Except for Exhibit 'C-1', none of the decision cited by opposer has become final and executory.

"5.4. The goods covered by respondent's application, namely, wires and cables falling under Class 09, are neither the same, nor closely related to, or even competitive with the goods specified in opposer's applications.

"5.5. Decision No. 2008-152 promulgated in IPC No. 14-2007-00177 is clearly contrary to the provisions of the IP Code and the evidence adduced in said case. Said decision has not become final but is still under reconsideration.

"5.6. None of the opposer's Exhibits 'M-1', 'N-1' to 'N-24'; 'P' to 'P-5'; 'Q' to 'Q-4'; 'S-1' to 'S-16'; 'T-1' to 'T-4'; 'V'; 'W'; 'X'; 'Y' to 'Y-4'; 'AA' to 'AA-10'; 'BB' to 'BB-8'; 'CC' to 'CC-3'; and 'DD' refer to wires and cables under Class 09; hence they are immaterial and irrelevant insofar as the approval or respondent's application is concerned.

"5.7. That to date, opposer has no existing registration for the trademarks 'SAKURA' and/or 'SAKURA and DEVICE'.

"5.8. That opposer has no monopoly nor exclusive right to register and use the trademarks 'SAKURA' and/or 'SAKURA & DEVICE' for all kinds and classes of goods.

5.8.1. The mark/word 'SAKURA' or variants thereof was not coined nor invented by opposer but is a common word found in most dictionaries meaning 'Cherry Blossom.'

5.8.2. 'SAKURA' is a very weak mark. In fact, the records of this Office show that the word 'SAKURA' and variant thereof had been applied for and registered by other persons and entities even long before opposer claimed it had used it for electronic and audio equipment falling under Class 9.

5.8.3. Opposer does not deal with wires and cables. Hence, there is no likelihood of confusion of goods or businesses between the parties.

5.8.4. Respondent's Application SN 4-2009-001856 can not be considered confusingly similar to opposer's Applications SN 4-2001-005131 and SN 4-2007-011902.

5.8.5. Respondent's mark 'SAKURA & DEVICE' for use on wires and cables falling under Class 09 is not proscribed by Section 123.1 (d) of the IP Code and is clearly registrable in her favor."

The Respondent-Applicant's evidence consists of the following:

1. Exhibit "1" - Photocopy of Application SN 4-2009-001856 for SAKURA & DEVICE;
2. Exhibit "2" - Photocopy of Registrability Report dated 11 September 2009;
3. Exhibit "3" - Response to Registrability Report filed 16 November 2009;
4. Exhibit "4" - Notice of Allowance with mailing date 08 January 2010;
5. Exhibit "5" - Print-out of E-Gazette publication of SAKURA & DEVICE;
6. Exhibit "6" - Copy of Motion for Reconsideration in IPC No. 14-2007-00177;
7. Exhibit "7" - Print-out of Office's Trademark Search; and,
8. Exhibit "8" - Affidavit of Veronica Teng.

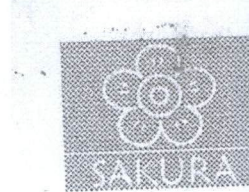
In this connection, Position Papers were submitted by the Opposer and the Respondent-Applicant on 30 November 2010 and 06 December 2010, respectively. Hence, this case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark SAKURA & DEVICE?

This instant case involves the following marks hereby reproduced for comparison:



Opposer's Trademark



Respondent-Applicant's Trademark

The contending marks are practically identical, both of which consisting of the word SAKURA and device of flower. The difference is that in the Respondent-Applicant's mark, the word SAKURA and the device are inside a red square figure. Also, there are variation between the marks in respect of the device. With respect to the goods involved, those covered by the Respondent-Applicant's application fall under Class 09, and are related to goods under Class 11.

In this regard, this Bureau takes judicial notice of the Decision of the Office of the Director General in Appeal No. 14-2010-0012 (IPC No. 14-2010-00112)⁴, whereby the rights of herein Opposer KENSONIC, INC. was sustained in so far as goods falling under Classes 9 and 11, and declaring said Opposer as prior user thereof. Pertinent portion of the said Decision is hereby adopted, as it provides:

"It is noted that both parties deals with electrical and electronic products and devices. Thus, although the goods covered by the above-mentioned marks are different, they are not entirely unrelated. But even if this Office would agree to the proposition that there are differences in the nature of the goods of the Appellant and the Appellee, it is not farfetched that because of the similarity in these marks, there would be an impression that the Appellant's mark is owned by the Appellee or is just a variation of the Appellee's mark. x x x

In this regard, the Appellant's goods may be assumed to originate with the Appellee and the public would then be deceived to believe that there is some connection between the Appellant and the Appellee, which, in fact, does not exist. The likelihood of confusion would subsist not on the purchaser's perception of goods but on the origins thereof. Consequently, the registration of the Appellant's mark may cause damage to the Appellee which has no control over the Appellant's products covered by SAKURA & DEVICE.

The Appellee has shown that it has used its mark as early as 1994. Thus, it is not entirely remote that the Appellant knew of the mark SAKURA being used on electronic products. However, aside from alleging that she filed her trademark application in good faith, she did not explain how she arrived in using this mark."

The Respondent-Applicant is also the Opposer's adversary in the cited Inter Parte Case No. 14-2010-00112. Considering that in this instant, the goods covered by the Respondent-Applicant's trademark application fall under Classes 9 and 11, there is no reason to deviate from the Director General's ruling in Appeal No. 14-2010-0012 (IPC No. 14-2010-00112)⁵.

⁴ Decision dated 22 September 2014, Veronica Teng, Respondent-Appellant v. Kenosonic, Inc., Opposer-Appellee, Opposition to Application No. 4-2008-003814 for SAKURA & DEVICE.

⁵ Id.

WHEREFORE, premises considered, the instant opposition is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-2009-001856, together with a copy of this Decision, be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 23 March 2015.



ATTY. NATHANIEL S. AREVALO
Director W, Bureau of Legal Affairs