



WILSON TAN,
Petitioner,

-versus-

TAI JOEBEN,
Respondent-Registrant.

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IPC No. 14-2014-00418
Cancellation of:
Registration No. 4-2012-500308
Date Issued: 18 April 2013
TM: "ZOOEY"

NOTICE OF DECISION

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TAI JOEBEN
Respondent-Registrant
45 Doña Elena Street
Punturin, Valenzuela City

GREETINGS:

Please be informed that Decision No. 2015 - 114 dated June 18, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 18, 2015.

For the Director:


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



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} IPC NO. 14-2014-00418
} Cancellation of :
} Registration No. 4-2012-500308
} Date of Registration: 18 April 2013
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} Trademark: ZOOEY
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} Decision No. 2015- 114

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DECISION

WILSON TAN (Petitioner)¹ filed on 15 September 2014 a Petition for Cancellation of Registration No. 4-2012-500308. The registration, in the name of TAI JOEBEN (Respondent-Registrant)², covers the mark “ZOOEY”, for use on “plastic furniture such as chest drawers, cabinet closet, tables and chairs, containers and boxes” under Class 20 and “plastic household products, kitchenware, kitchen cabinets and other plastic utensils” under Class 21 of the International Classification of Goods³.

The Petitioner invokes Section 123.1, pars. (a), (d) and (e), of Rep. Act. No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”). Section 123.1 (d) states that 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.

The Petitioner also alleges the following facts:

¹ Filipino citizen with address at 22 Sitio Malinis St. Ibica, Compound, Lawang Bato, Valenzuela, Metro Manila

² Filipino citizen with address at 45 Dona Elena Street, Punturin, Valenzuela City

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.

"8. It all started in 1983 when San-Wee Plastic Products Manufacturing Co. and I entered into a partnership for the manufacture, sale and distribution of plastic products bearing the mark ZOOEY.

"9. We started with simple plastic products and created a unique name to identify these products -we have then invented the mark ZOOEY. It is a playful invented word to identify our high quality affordable products. The recorded first use of the mark ZOOEY was on 5 March 1987. The mark has been used continuously and exclusively used for almost 30 years now.

"10. Because of business strategy, San-Wee Plastic Products Manufacturing Co. and I decided to dissolve the partnership in 2007. The use and registration of the mark ZOOEY was then transferred to me after the dissolution of partnership. This was recorded with the Intellectual Property Office ('IPO') on 26 October 2007. The corresponding registration certificate for the mark ZOOEY under registration number 58000 in my name was therefore issued by the IPO.

"11. Today, there are hundreds of plastic products that are now covered by the ZOOEY mark -from small canisters, to boxes and cabinets to tables and chairs.

"12. The ZOOEY goods are manufactured and marketed nationwide through the following companies: San Wee Plastic Products Mfg. Corp, Plastic Trend Houseware Mfg Corp, Fortune Alliance Plasticware Corp

"13. ZOOEY plastic products are marketed nationwide in department stores, shops and market stalls. There are many distributors of ZOOEY plastic products nationwide.

"14. ZOOEY goods are available in prominent department stores such as SM Mall and Ace Hardware nationwide, in addition to stores found in markets and business areas.

Goodwill and reputation of ZOOEY marks are established through exclusive use for 21 years.

"15. Since 1983 when I partnered with San-Wee to date, or after 21 years, I have continued to use and promote ZOOEY goods nationwide. In fact, ZOOEY branded goods have gained goodwill and reputation in the plastic industry in the Philippines because of the quality that we have maintained, the continued use of the mark over the years and the advertisements that I have undertaken.

"16. For 27 years, we have marketed ZOOEY plastics products nationwide using various media. We have been manufacturing various

colourful and attractive labels that have been known in the plastic industry over the years.

"17. Marketing and promotions is also a big part of what made ZOOEY products popular. Over the years, we have been promoting ZOOEY products in newspapers, tarpaulins, flyers and giveaways.

"18. ZOOEY products are also actively promoted through big billboards nationwide. This has contributed to the fame of ZOOEY products.

"19. Because of the reputation and fame of established by the ZOOEY products' quality and nationwide marketing advertisement, the ZOOEY brand and products have received several awards. For example, the ZOOEY products has received the 2005 National Product Quality Excellence Award and the Seal of Product Quality. It has also received recognition from the City of Valenzuela for its valuable contribution to the City's local economy.

"20. We have applied for the registration of the mark ZOOEY with Registration Number 5800 on 13 August 1991 and the mark was registered on 12 May 1994 for a term of 20 years.

"21. The mark was unintentionally cancelled when a Declaration of Actual Use ("DAU") to maintain the registration was not filed. While I have never stopped use of the mark, I was not aware of the requirement and therefore was not able to file the required DAU.

"22. On 1 October 2003, I re-filed the mark under application number 4-2003-009063 which was allowed and registered on 30 November 2005.

"23. The agent handling registration number 4-2003-009063 has overlooked the filing of the Declaration of Actual Use and the mark was therefore also cancelled despite the continuous exclusive use of the mark nationwide.

"24. I immediately re-filed the mark on 30 June 2014 and the application is now pending with the Bureau of Trademarks.

"25. I have secured and maintained the registration of the mark ZOOEY for almost 30 years now. A check with the Registry's online database would show that since 1991, I have solely owned the registration of the mark ZOOEY.

To support its petition, the Petitioner submitted as evidence the following:

1. Verified Petition for Cancellation;
2. Power of Attorney dated 15 September 2014;
3. Affidavit of Wilson Tan dated 15 September 2014;

4. Copy of Amended Articles of Partnership filed with the Securities and Exchange Commission dated 28 December 1990;
5. Copy of published history/brief introduction of "ZOOEY";
6. Copy of Articles of Dissolution of Partnership dated 9 February 2007;
7. Copy of letter of transfer to the Bureau of Patents and Technology Transfer dated 22 October 2007;
8. Copy of Certificate of Registration No. 58000 dated 12 May 1994 for the mark "ZOOEY" for goods under class 20, namely "hangers, towel racks, trays, dish drainers";
9. Brochures showing "ZOOEY" products;
10. List of distributors;
11. Various labels, sample flyers, promotional calendars, photos of billboard advertising used on "ZOOEY" products;
12. Copy of 2005 National Product Quality Excellence Award;
13. Copy of Seal of Product Quality from the City of ValenzuelaAAA;
14. Copy of Certificate of Registration No. 5800 dated 12 May 1994 for the mark "ZOOEY" for goods under class 20;
15. Copy of Certificate of Registration No. 4-2003-009063 dated 31 December 2005, for the mark "ZOOEY AND DEVICE" for goods under class 21;
16. Print-out IPO Database of status of the mark "ZOOEY" with Application No. 42014008203;
17. Print-out of the IPO Database for the mark J&T and Design; and
18. Copy of Articles of Partnership of Happy Home Plastic Company.⁴

This Bureau served upon the Respondent-Registrant a "Notice to Answer" on 29 September 2014. The Respondent-Registrant, however did not file an Answer. Thus, the Hearing Officer issued on 6 February 2015 Order No. 2015-240 declaring the Respondent-Registrant to have waived his right to file an Answer.

Records show that the Respondent-Registrant filed his application for the mark ZOOEY on 8 February 2012 and was granted Certificate of Registration No. 4-2012-00500308 on 18 April 2013 for goods under class 21, namely: "plastic household products, kitchenware, kitchen cabinets and other plastic utensils" and class 20, namely "plastic furniture such as chest drawers, cabinet closet, tables and chairs, containers and boxes". The Petitioner filed his application for the mark ZOOEY on 15 August 1992 and was granted Certificate of Registration No. 58000⁵ on 12 May 1994 for goods under class 20, namely "Hangers, towel racks, trays and dish drainers". He also filed on 1 October 2003 an application for ZOOEY AND DEVICE for goods under class 21, namely "Plastic ware (household), namely hangers, dish rack, dish cabinet, plastic drawers, plastic cabinet, trays, canisters, bowl, kiddie trainer, food keepers, medical cabinet, plastic boxes" and was granted Certificate of Registration No. 4-2003-009063⁶ on 31 December 2005. However, the registration was cancelled for his failure to file the Declaration of

⁴ Exhibits "A" to "FFF"

⁵ Exhibit "BBB"

⁶ Exhibit "CCC"

Actual Use ("DAU"). Hence, on 30 June 2014, the Petitioner re-filed an application for the mark ZOOEY AND DEVICE under Application No. 4-2014-008203⁷.

Should the Respondent-Registrant's trademark registration ZOOEY be cancelled?

Section 151 of the IP Code provides:

Section 151. Cancellation – 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

- (a) Within five (5) years from the date of registration of the mark under this Act.
- (b) At any time if the registered mark becomes the generic name for the goods or services or a portion thereof, for which it is registered or has been abandoned, or its registration obtained fraudulently, or contrary to the provisions of this Act, or if the registered mark is used by, or with the permission of the registrant so as to misrepresent the source of the goods or services or in connection with which the mark is used.

The competing marks, depicted below, are identical:



Petitioner's mark

Respondent-Registrant's mark

Succinctly, because the Respondent-Registrant uses his mark on goods that are similar or closely related to the Petitioner's it is likely that the consumers will have the impression that these goods originate from a single source or origin. The confusion or mistake would subsist not only the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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 belief that there is some connection between the plaintiff and defendant which, in fact does not exist.⁸

⁷ Exhibit "DDD"

⁸ *Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

The public interest, therefore, requires that two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. It is emphasized that 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.⁹

In this regard, This Bureau emphasizes that it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. The Philippines implemented the World Trade Organization Agreement "TRIPS Agreement" when the IP Code took into force and effect on 1 January 1998.¹⁰

The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Sec. 121.1 of the IP Code adopted the definition of the mark under the old law on Trademarks (Rep. Act. No. 166), to wit:

121.1 "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)

Sec. 122 of the IP Code also states:

Sec.122. How Marks Are acquired.- The rights in a mark shall be acquired through registration made validly in accordance with the provision of this law.

There is nothing in Sec.122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in the mark shall be acquired through registration, which must be made validly in accordance with the provision of the law.

Corollarily, Sec. 138 of the IP Code states:

⁹*Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

¹⁰See Sec. 2: Trademarks, Art. 15 (Protectable Subject Matter)

A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.

Aptly, even if a mark is already registered, the registration may still be cancelled pursuant to Sec. 151 of the IP Code.

In the instant case, the Petitioner proved that he is the originator and owner of the mark "ZOOEY". The mark "ZOOEY" was coined when he was in partnership with San Wee Plastic Products.¹¹ According to the Petitioner, the mark was used to identify various plastic products. In 2007, the partnership was dissolved and the mark ZOOEY was assigned to the Petitioner. The transfer of ownership¹² of the mark ZOOEY was recorded with the then Bureau of Patents and Technology Transfer on 22 October 2007. Since 1994 and 2005, when the mark was registered by the Petitioner, he was able to submit proof of extensive commercial use of the mark through various advertising paraphernalia, brochures, labels¹³ and photographs of billboard advertising¹⁴ of "ZOOEY" products. As evidence of the goodwill generated by the long use of the mark "ZOOEY" on different kinds of plastic products which today includes, "food cannisters, boxes and cabinets", SAN WEE Plastic Products garnered an award for "Seal of Product Quality"¹⁵ and a "Symbol of Recognition to Sanwee/Zooney Plastic"¹⁶ from the City of Valenzuela.

In contrast, the Respondent-Registrant despite the opportunity given, did not file an Answer to defend its trademark registration and to explain how he arrived at using the mark ZOOEY which is the same as the Petitioner's. The Petitioner's mark is unique and highly distinctive. It is incredible for the Respondent-Applicant to have come up with exactly the same mark for use on similar goods by pure coincidence.

Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.¹⁷

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

¹¹ Exhibit "D"

¹² Exhibit "G"

¹³ Exhibits "K" to "QQ"

¹⁴ Exhibits "RR" to "YY"

¹⁵ Exhibit "L"

¹⁶ Exhibit "AAA"

¹⁷ *American Wire & Cable Company v. Director of Patents*, G. R. No. L-26557, 18 February 1970.

WHEREFORE, premises considered, the instant Petition for Cancellation of Trademark Registration No. 4-2012-500308 is hereby **GRANTED**. Let the filewrapper of the subject trademark registration be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 18 June 2015.


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