



BRIDGESTONE CORPORATION,
Opposer,

-versus-

HANGZHOU UNIBEAR INDUSTRIAL CO., LTD.,
Respondent-Applicant.

X-----X

} **IPC No. 14-2009-000186**
} Opposition to:
} Appln. Serial No. 4-2008-011297
} Date filed: 17 September 2008
} **TM: "UNIBEAR, YONG LI BAI**
} **HE IN CHINESE CHARACTERS**
} **& DEVICE"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - _____ dated June 30, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 30, 2015.

For the Director:

Atty. ED JIN DANILLO A. JALINSON
Director III
Bureau of Legal Affairs



BRIDGESTONE CORPORATION, }
Opposer, }
 -versus- }
 HANGZHOU UNIBEAR INDUSTRIAL }
 CO., LTD., }
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IPC No. 14-2009-000186

Opposition to:
 Application No. 4-2008-011297
 Date Filed: 17 September 2008
 Trademark: "UNIBEAR, YONG
 LI BAI HE IN CHINESE
 CHARACTERS & DEVICE

Decision No. 2015-__ _ .

DECISION

BRIDGESTONE CORPORATION¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2008-011297. The application, filed by Hangzhou Unibear Industrial Co., Ltd.² ("Respondent-Applicant"), covers the mark "UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS & DEVICE" for use on "shaft couplings (machines; jacks (machines); driving chains other than for land vehicles; agricultural machines; gears, other than for land vehicles; universal joints (cardin joints); woodworking machines; bearings (parts of machines); printing machines; transmission chains other than for land vehicles" under Class 07 and "driving chains for land vehicles; gearing for land vehicles; shock absorbers for automobiles; brake segments for vehicles; chains for bicycles; cycles; mopeds; cycle cars; motors for cycles; bicycles" under Class 12 of the International Classification of Goods and Services.³

The Opposer alleges

x x x

"GROUNDS"

"Bridgestone Corporation ('Opposer') submits that registration of the mark UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS will damage and prejudice its rights as follows:

"a. It is the registered owner of the well-known trademark B DEVICE and BRIDGESTONE, x x x and as such, under Secs. 147.1 and 147.2 of the Intellectual Property Code (or 'IP Code'), it has exclusive right to prevent others from using a mark identical or confusingly similar to B DEVICE and BRIDGESTONE both for related and unrelated goods or services;

¹ A foreign corporation duly organized and existing under and the laws of Japan, with principal office at 10-1 Kyobashi 1-Chome, Chuo-ku Tokyo, Japan

² With address at Yiqiao Industrial Park, Xiadshan, Hangzhou City, Zhejiang Province, People's Republic of China

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark 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 Purposes of the Registration of Marks concluded in 1957.

"b. UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS is confusingly similar to the B DEVICE and BRIDGESTONE trademarks of Opposer thus, its registration can be prevented by Opposer under Secs. 147.1 and 147.2 of the IP Code, and such registration will be denied under Sections 123.1 (d), 123.1 (e), and 123.1(f) of the IP Code.

"c. Opposer's B DEVICE and BRIDGESTONE trademarks are already identified in the public mind as the mark of Opposer's well-known tires, and therefore, whether it is registered or not, it is entitled to protection under Section 123.1 (e) and (f) and under Sec. 168.1 of the IP Code as against the confusingly similar UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS.

"d. Opposer's B DEVICE and BRIDGESTONE trademarks are internationally well-known and should be protected from trademark dilution under Sections 123.1(e) and (f) of the IP Code and as held in the case of Levi Strauss vs. Clinton Apparel.

"e. BRIDGESTONE is also the corporate name of Opposer and hence, it must be protected as against UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS under Section 165 of the IP Code.

x x x

"Discussion.

"31. There is no question that the strikingly unique and stylized letter B in the BRIDGESTONE and the B DEVICE trademarks largely dominates the overall visual appearance of the trademarks such that one who perceives the BRIDGESTONE and the B DEVICE marks will inevitably be left with a commercial impression that revolves around the distinctive design appearance of the letter B.

"32. In determining confusing similarity, the rules are summed up as follows:

x x x

"33. Applying the foregoing rules, it is easily seen that the dominant element of the BRIDGESTONE and the B DEVICE trademarks is the first letter, letter 'B', depicted as follows:

x x x

"34. The dominant part of the UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTER & DEVICE is the letter 'B' in Opposer's B DEVICE and BRIDGESTONE trademarks as shown below.

x x x

"35. Comparing these two (2) dominant elements, the similarity between the two (2) are easily seen.

- a. "The starting letters are made dominant: the letter 'B' in BRIDGESTONE is in capital letter, in bigger font than the rest of the letters, and it is given a separate design than the other letters as to stand out distinctly and separately

from them, in effect, forming a device for the mark; while the 'B' in UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS is also in capital letter and is separately depicted as the device with a design similar to that of the B device. The stylization of the letter 'B' in UNIBEAR is further highlighted by the fact that all the other letters in said trademark: U, N, I, E, A and R are all written in a simple font that is very different from 'B'.

- b. "The B DEVICE and the 'B' in UNIBEAR are identical.
- c. "The addition of the letters U,N,I,E, A and R and the Chinese characters does not deflect the attention to the 'B' in UNIBEAR and in effect does not differentiate the UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS & DEVICE to Opposer's B DEVICE and BRIDGESTONE trademarks given that their dominant features are the exactly the same and identical.
- d. "And both contending marks are used for the same and related goods under Classes 7 and 12.

"36. This identical stylization of the dominant features of the opposing marks makes the UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS & DEVICE confusingly similar to Opposer's B DEVICE and BRIDGESTONE trademarks.

"37. In the Supreme Court case of McDonald's Corporation vs. Macjoy Fastfood Corporation, the similar way the letter M is depicted in an arch-like manner in the contending marks, MCDONALD'S AND MACJOY, renders MACJOY confusingly similar to MCDONALD'S, thus:

x x x

"38. On this score, courts have also held that when a junior user uses the same type style or lettering as the senior user, this is evidence of deliberate copying, intent to confuse and intent to 'ride the coattails of an existing reputable company.'

"39. As if these similarities in appearance are not enough, there is the undeniable fact that the contending marks are used on similar goods, namely, car, motorcycle and bicycle accessories and tires, conveyor belts, shock absorbers, rims and covers for vehicle wheels, etc. Hence, by the sheer weight of the fact that the goods are the same and related, the marks will have to be ruled as confusingly similar, following the ruling in Heirs of Crisanta Y. Gabriel-Almoradic vs. CA, et. al.

"40. And since based on the facts, it is Opposer which is the true and registered owner of the BRIDGESTONE and B DEVICE trademarks, then the UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS & DEVICE, being confusingly similar to BRIDGESTONE and B DEVICE, can no longer be registered, pursuant to the prohibition under Sections 147.1 and 147.2 of the IP Code, and under Sections 123.1 (d) , 123.1 (e), and 123.1 (f) of the IP Code.

"42. That the visual appearance or design of the dominant element of BRIDGESTONE and the B DEVICE can no longer be copied in UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS, is implied by the fact that BRIDGESTONE has been declared well-known by this Hon. Bureau in Decision No. 2008-48, thus:

x x x

- "43. And what is the effect of a mark that is well-known?

"44. Under Art. 6bis of the Paris Convention, one of the protection accorded to a well-known mark declared as such, is that another person cannot even copy the portion or essential part of such well-known mark, thus:

x x x

"45. The reason why even a fraction of the well-known mark cannot be copied and appropriated by another is that such copying will now constitute a disparagement or dilution of the well-known mark.

"46. In the case of Levi Strauss vs. Clinton Apparel, the Supreme Court confirmed the protection given to well-known mark against dilution:

x x x

"47. Art. 6bis of the Paris Convention is now written in the IP Code, as Section 123.1 (e) and even (f) thereof.

"48. Indubitably, because BRIDGESTONE is well-known, then under the law, none of its dominant features can be copied by another.

"49. The principle of Trademark Dilution prohibits the use and registration of a trademark when such trademark or an essential part of the trademark constitutes a reproduction of any well-known mark or an imitation liable to create confusion. The prohibition is to prevent Trademark Dilution from setting in, or the dilution of the distinctiveness of the said famous elements of the mark.

"50. Preventing trademark dilution has a salutary purpose. The justification for the protection under the trademark dilution doctrine is that somehow the public benefits from protection against diluting the distinctiveness of a famous mark and that it is simply not right to reduce the importance or value of a very valuable mark for the free ride of the newcomer even if the public is not confused.

"51. Thus is the underlying reason why the Supreme Court has looked down on traders who 'ride on the coattails' of the more established mark.

"52. The Levi case is very instructive on this point. The Philippine Supreme Court noted that the trademark alleged to be infringed is 'Dockers and Design,' and that the device involved is a wing-shaped logo. It is alleged that makers of PADDOCKS pants are also using the same logo, attaching it to the word PADDOCKS.

"53. The High Court then defined the issue as follows: will the registration of 'Dockers and Design' confer on the owner the right to prevent the use of a fraction thereof in trade?

"54. The High Court ruled that if it is proven that 'Dockers and Design' is world-famous, and this will render the fraction of the mark, particularly the logo, as world famous also, then there is such right to prevent in favor of the owner. The High Court stated that this is an instance of Trademark Dilution of a famous mark, and thus shifted the burden of proving 'Dockers and Design' as world-famous to the owner.

"55. In the instant case, Opposer's BRIDGESTONE and the B DEVICE are well-known marks, internationally and in the Philippines. Hence, if UNIBEAR, YONG LI HE IN CHINESE CHARACTERS & DEVICE in Classes 7 and 12 is allowed to be registered, then the famousness of the BRIDGESTONE and the B DEVICE marks in the

Philippines will be diluted by the fraction 'B' in UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE.

"56. In other words, the B DEVICE and BRIDGESTONE marks famously symbolizes Opposer, and if Respondent-Applicant will be allowed to use a confusingly similar version thereof, it will no longer symbolize Opposer and its business. In short, the use by Respondent-Applicant of the UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE marks of Opposer.

"57. Opposer has been using BRIDGESTONE not only as a trademark but also as a trade name or company name from the inception of its business and to this day, continues to use the same as its company name in all of its business dealings not only in its country of origin or domicile but in all countries around the world where it has business dealings or transactions. As a trade name, BRIDGESTONE is protected under Section 165 of the IP Code, as it is registered as a trademark in the Philippines.

"58. As shown above, the subject trademark UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE is confusingly similar to BRIDGESTONE and is used in connection with goods in the same category for which Opposer uses and licenses its BRIDGESTONE trademark such that if allowed to register, UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE will likely deceive or cause confusion, in contravention of Section 123.1 (d) of the IP Code.

"59. UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE is therefore an affront to the right of Opposer over its trade name BRIDGESTONE. The registration and use of UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE by Respondent-Applicant will falsely indicate a connection between the Opposer's and Respondent-Applicant's goods which will result in damage to Opposer in terms of, among others, the whittling away of Opposer's goodwill over its trade name BRIDGESTONE.

"60. Opposer has clearly established goodwill in the Philippines from its long and extensive use of BRIDGESTONE and B DEVICE as well as aggressive sales, and extensive promotions and advertising campaigns. The registration of UNIBEAR YONG LI HE IN CHINESE CHARACTERS & DEVICE will permit Respondent-Applicant to ride on the reputation, popularity, and established goodwill of Opposer.

"61. Supporting Affidavits are concurrently submitted herewith pursuant to the Rules.

The Opposer's evidence consists of the affidavit of Yusuhiko Takeda; copies of some of Opposer's certificates of trademark registrations for the BRIDGESTONE and B DEVICE trademark issued in numerous countries worldwide; a database list of all Opposer's BRIDGESTONE and B DEVICE trademark registrations and applications in numerous countries worldwide; the affidavit of Atty. Jan Abigail Ponce; the Special Power of Attorney executed by Opposer in favor of Federis & Associates Law Offices; copies of Philippine certificates of trademark registrations and applications and actual print out of the IP Philippines Database record of App. No. 4-2008-010041; copy of the Verified Notice of Opposition filed in Inter Partes Case No. 14-2006-00199 which was an opposition against the trademark "RIVERSTONE"; copy of the affidavit of Mr. Masao

Kobayashi, General Manager of the Philippine Representative Office of Opposer; copy of the affidavit of Atty. Jan Abigail Ponce submitted in Inter Partes Case No. 14-2006-00199; a list of all trademark applications and registrations filed and/or issued for the trademark FIRESTONE; a list of all trademark applications and registrations filed and/or issued for the trademark BRIDGESTONE; a list of all domain names owned by Opposer or related companies which contains the word BRIDGESTONE or BRIDGESTONE derivative domain names; printouts of various website of Opposer's BRIDGESTONE trademark; affidavit of use for the trademark BRIDGESTONE; invoice no. 6B92PHI, September 27, 2006, for 5,250 tires and 1,900 tire tube and flap; invoice no. 62AXK63, October 10, 2006 for 4,320 tires; invoice no. 6L2137, October 11, 2006 for 1,110 tires; copies of representative sample of promotional materials published in Philippine magazines and newspaper; printouts of the Bridgestone search results; photographs of Opposer's BRIDGESTONE products; copies of some of the registrations issued for BRIDGESTONE from different countries; photographs of the Bridgestone Tire Showroom; Opposer's Annual Reports for the years 2000 to 2005; News reports, articles and magazines relating to Opposer and its BRIDGESTONE mark and products; Bridgestone's Corporate Data for the year 2006; photographs of Bridgestone outlets in the Philippines; list of Bridgestone stores in the Philippines; printouts of search results of the www.ebay.ph and www.ebay.com for "Bridgestone"; copy of Decision No. 2008-48 dated March 24, 2008; and, copy of the Entry of Judgment/Execution of Decision in IPC No. 14-2006-00199.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 18 September 2009. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark UNIBEAR YONG LI BAI HE IN CHINESE CHARACTERS & DEVICE?

The Opposer anchors its opposition on Sections 123.1, paragraphs (d), (e) and (f), Section 147.1 and 147.2, Section 165 and Section 168.1 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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

x xx

- (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;"

⁴ Marked as Exhibits "A" to "C", inclusive

- (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 service 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;

Sec. 147. *Rights Conferred.* - 147.1. The owner of a registered mark 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 or containers 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.

147.2. The exclusive right of the owner of the well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: *Provided*, That use of that 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.

Sec. 165. *Trade Names or Business Names.* - 165.1. A name or designation may not be used as a trade name if by its nature or the use to which such name or designation may be put, it is contrary to public order or morals and if, in particular, it is liable to deceive trade circles or the public as to the nature of the enterprise identified by that name.

165.2. (a) Notwithstanding any laws or regulations providing for any obligation to register trade names, such names shall be protected, even prior to or without registration, against any unlawful act committed by third parties.

(b) In particular, any subsequent use of the trade name by a third party, whether as a trade name or a mark or collective mark, or any such use of a similar trade name or mark, likely to mislead the public, shall be deemed unlawful.

Records show that at the time the Respondent-Applicant filed its trademark application on 17 September 2008, the Opposer already owns trademark registration for "BRIDGESTONE" under Reg. Nos. 039620. The registration cover "tires" in Class 12.

A comparison of the competing marks reproduced below:

BRIDGESTONE

Opposer's trademarks



Respondent-Applicant's mark

shows that confusion is likely to occur. The Respondent-Applicant appropriated the Opposer's stylized letter B, as part of the trademark sought to be registered. The fact that the Respondent-Applicant's mark has other letters U, N, I, E, A, R, accompanying the stylized letter B, including Chinese characters and device, is of no moment. The stylized letter B in the mark applied for registration by the Respondent-Applicant is very prominent and renders the mark a distinctive visual property. Also, the Respondent-Applicant's trademark application covers goods that are closely related to the Opposer's. Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or are sold in grocery stores.⁵ Thus, Respondent-Applicant's driving chains, gearing, shock absorbers for vehicles are related to Opposer's tires because these products are distributed mainly through automotive shops and hardware stores, it is likely that the consumers will have the

⁵ Esso Standard Eastern, Inc. vs. Court of Appeals, et. al., 201 Phil 803, G.R. No. L-29971, August 31, 1982.

the impression that these goods originate from a single source or origin the UNIBEAR, YONG LI BAI HE IN CHINESE CHARACTERS & DEVICE being a variation of the BRIDGESTONE and B DEVICE marks, as if in launching a new line of products. That consumers will likely to commit such mistake or belief is underscored by the fact that the Opposer's BRIDGESTONE and B DEVICE trademarks have been declared in Decision No. 2008-48 by this Bureau as well-known. The Supreme Court has held:

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.⁶

Indeed, consumers may be led into a wrong belief that the parties have a connection between them, such as in but not limited to a licensing or sponsorship agreement.

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.⁷ This Bureau finds that the mark applied for registration by the Respondent-Applicant does not meet the function.

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.⁸ 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.

⁶ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R No. 1-27906, 08 Jan 1987.

⁷ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R No. 114508, 19 November 1999, citing *Ethepa 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)

⁸ *American Wire & Cable Company v. Director of Patents*, G.R No. L-26557, 18 Feb. 1970.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-011297 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 30 June 2015.

ATTY. NATU. ANIEL S. AREVALO
Director IV, Bureau of Legal Affairs