



NIKON CORPORATION,  
Opposer,

-versus-

ONG TA LEAD FACTORY INC.,  
Respondent-Applicant.

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}  
} **IPC No. 14-2012-00272**  
} Opposition to:  
} Appln. Serial No. 4-2011-012378  
} Date filed: October 14, 2011  
} **TM: "NIKOLITE"**

**NOTICE OF DECISION**

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**GREETINGS:**

Please be informed that Decision No. 2015 - \_\_\_\_\_ dated July 22, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 22, 2015.

For the Director:

**JOSUE MARINE C. ALON**  
Bureau of Legal Affairs



**NIKON CORPORATION,**  
Opposer,

IPC No. 14-2012-00272

- versus -

Opposition to:

Appln. Serial No. 4-2011-012378  
Date filed: 14 October 2011  
Trademark: "NIKOLITE"

**ONG TA LEAD FACTORY, INC.,**  
Respondent-Applicant.

Decision No. 2015 - \_\_\_\_\_

x-----x

**DECISION**

NIKON CORPORATION ("Opposer")<sup>1</sup> filed a verified opposition to Trademark Application Serial No. 4-2011-012378. The application, filed by ONG TA LEAD FACTORY ("Respondent-Applicant")<sup>2</sup>, covers the mark "NIKOLITE" for use on goods under class 06<sup>3</sup> namely: soldering bar.

The Opposer alleges the following:

"3. Opposer is the owner of the trademark 'NIKON' over goods classified under Classes 9 and 10 – Physical and chemical apparatus and instruments (excluding those belonging to applied electronic machinery and apparatus), optical apparatus and instruments (excluding those belonging to applied electronic machinery and instruments) Motion picture apparatus and instruments, Measuring apparatus and instruments (excluding those belonging to applied electronic machinery and apparatus and electric and magnetic measuring instruments), Medical instruments, their parts and accessories (excluding those belonging to other classes), and photographic materials.

"4. Opposer acquired ownership over the trademark NIKON being the first registrant and by its prior actual commercial use of the same in the Philippines.

"5. Opposer filed its application for registration of its trademark on February 21, 1977, and was granted registration by the Intellectual Property Office on August 4, 1981 under Certificate Registration No. 29680, which was renewed on August 4, 2001 for another ten (10) years. At present, Opposer has filed for another renewal of said Registration on July 28, 2011.

"6. Opposer's goods with its NIKON trademark have been marketed and sold in the Philippines since 1970, which was evidently earlier than Respondent's use of its mark.

x x x

<sup>1</sup> A corporation organized and existing under the laws of Japan, with principal office at 12-1 Yurakucho 1-Chome, Chiyoda-ku, Tokyo, Japan.  
<sup>2</sup> With address at 471 Elcano Street, San Nicolas, Manila.  
<sup>3</sup> 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.

"7. Thus, being the holder of a valid and subsisting Certificate of Registration for the trademark 'NIKON', Opposer has, under the Intellectual Property Code, the right to use the same to the exclusion of all others, including the Respondent herein.

"8. Opposer's word mark NIKON is a well-known mark.

"9. Opposer was founded in 1917 as Nippon KōgakuKōgyōKabushikigaisha ("Japan Optical Industries Corporation"); and the company was renamed Nikon Corporation, after their brand name, 'Nikon', in 1988. Likewise, Opposer is consistently the world leader in digital imaging, precision optics and photo imaging technology and is globally recognized for setting new standards in product design and performance.

"10. Opposer registered the mark 'NIKON' in Japan, as evidenced by Certificate of Registration No. 1095387 issued on November 8, 1974 and also used the said word mark in selling its goods.

"11. Opposer's goods bearing the trademark 'NIKON' enjoys international reputation and goodwill for their quality. Apart from Japan and the Philippines, Opposer's goods which use the trademark 'NIKON' are also sold and distributed worldwide, such as but not limited to: United States of America, Singapore, Indonesia, Taiwan, Malaysia, Korea, Netherlands, Australia, Argentina, Austria, Bolivia, Bahrain, Canada, Chile, China, Colombia, Denmark, Ecuador, France, Germany, Greece, Hong Kong, India, Italy, Mexico, Lebanon, Panama, New Zealand, Norway, Russia, Spain, Switzerland, South Africa, Turkey, United Arab Emirates, United Kingdom, Egypt, and Iran, among others.

x x x

"13. Even the Securities & Exchange Commission (SEC) recognizes Opposer's status as an internationally well-known mark. An attempt to reserve the NIKON with the SEC as a corporate name will yield a negative result as the applicant will be promptly informed that NIKON is a 'globally known trade or brand name – it cannot be part of a corporate or partnership.' The result does not vary regardless of what type of industry is selected.

"14. From the foregoing, it is evident that Opposer's trademark is well known here in the Philippines and in other parts of the world and should be declared as a 'well-known mark' as defined and qualified under Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers.

"15. Respondent's use of the mark 'NIKOLITE' results in likelihood of confusion.

"16. Respondent's 'NIKOLITE' mark has the prefix 'NIKO -' prominently and noticeably displayed as a component, which is aurally and visually the same as the reminiscent of Opposer's word mark 'NIKON'. Both Opposer and Respondent stamp their respective marks on the containers of their goods.

"19. Clearly, Respondent's continuous use of 'NIKO -' in its mark which is similar to the well-known mark 'NIKON' of Opposer would likely cause confusion or mistake, or would deceive the 'ordinarily intelligent buyer' of either Opposer's products or that of Respondent's products or both as to the source and origin of their respective goods, or as to the identity of the business of Opposer and Respondent.

"20. Respondent's use of the mark 'NIKON' is sufficient proof of its intention of cashing in on long established goodwill and popularity of the Opposer's reputation, thereby causing great irreparable damage to the latter.

"21. Opposer purposely chose the word mark 'NIKON', since it knew very well that the word 'NIKON' is derived from the former company name NIPPON KOGAKU KOGYO

KABUSHIKI KAISHA. Clearly, the name NIKON originated from Opposer and was only imitated by Respondent."

The Opposer's evidence consists of the following:

1. Articles of Incorporation of Nikon Corporation;
2. List of Trademark Registrations Worldwide;
3. Certified True Copies of the Certificates of Registration;
4. Certified Copies of Opposer's Certificate of Registration and sales amounts in the Philippines;
5. Certified Copies of invoices, particularly in the Philippines;
6. Original copies of magazines, catalogs, brochures, newspapers, photos of billboards and exhibitions, particularly in the Philippines;
7. Recognition by "Superbrands" in Superbrand UK's 2005 and 2010 edition;
8. Certified copies of expense reports for the promotion of the products bearing the NIKON mark, from worldwide advertising expenditures for the last five (5) years; and,
9. Certified copies of Opposer's Statement of Sales (Net sales) for the last five (5) years.

On 10 December 2012, Respondent-Applicant filed its Verified Answer alleging the following:

"2. Respondent-applicant denies all the opposer's allegations in support of its opposition that respondent applicant's use of the trademark 'NIKOLITE' is confusingly similar with the mark 'NIKON', the truth of the matter are those alleged in the special and affirmative defenses;

x x x

"4. Respondent-applicant is the owner and manufacturer of 'NIKOLITE' soldering lead bars while opposer is the registered owner of the mark 'NIKON';

"5. Respondent-applicant's soldering lead bar is under class 06 (common metals and their alloys; metal building materials; transportable buildings of metal; materials of metal for railway tracks; non-electric cables and wires of common metal; ironmongery, small items of metal hardware; pipes and tubes of metal; goods of common metal not included in other classes; ores) while opposer's goods are under classes 9 (scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computer; fire extinguishing apparatus) and class 10 (surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials);

x x x

"10. Respondent-applicant has never intended and could have not possibly ride on the popularity and goodwill of opposer's mark 'NIKON' because 'NIKOLITE' soldering leadbars was already well-known to the customers and/or users of soldering leads in the Philippines in 1960 or seventeen (17) years before 'NIKON' was registered in the Philippine Patent Office in 1977;

"11. The trademark 'NIKOLITE' for soldering lead bars was first used in the Philippines by ONG TA for which certificate of registration No. 8146 was issued to him by the

Philippine Patent Office on March 25, 1960, with validity period of twenty (20) years from said date; photocopy of certificate of registration No. 8146-A dated September 22, 1969 with reference to transfer of registration No. 8146 by assignment from ONG TA;

"12. On August 1, 1969, ONG TA (registered owner of trademark 'NIKOLITE') executed a 'Deed of Assignment' in favor of ONG TA LEAD FACTORY INC., assigning all his rights, interests and participation over the mark 'NIKOLITE'; thereafter, the assignee applied for the transfer of trademark registration and consequently the Philippine Patent Office issued a new certificate of registration No. 8146-A to ONG TA LEAD FACTORY INC., for the unexpired period from March 25, 1960;

"13. On April 22, 1983, certificate of registration No. 031784 was issued to respondent-applicant by the Philippine Patent Office to use the mark 'NIKOLITE' for a period of twenty (20) years from April 22, 1983;

"14. On November 20, 2005, certificate of registration No. 4-2004-001975 was issued to respondent-applicant by the Intellectual Property Office to use the mark 'NIKOLITE' for a period of ten (10) years from November 20, 2005;

"15. Due to respondent-applicant's failure to comply on time with the submission of the declaration of actual use for the 5<sup>th</sup> year anniversary of certificate of registration No. 4-2004-001975 dated November 20, 2005, respondent-applicant was constrained to file an application for registration on October 14, 2011, under application No. 4-2011-012378 which is now being opposed by the opposer;

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

1. Photograph of "NIKOLITE" soldering lead bar;
2. List of Customers/Buyers of "NIKOLITE" soldering lead bars;
3. Photocopy of Certificate of Registration No. 8146-A, dated September 22, 1969, with reference to transfer and assignment from ONG TA LEAD FACTORY INC.;
4. Deed of Assignment dated August 1, 1969, executed by ONG TA in favor of ONG TA LEAD FACTORY INC., re assignment of mark "NIKOLITE"
5. Certificate of Registration No. 031784 dated April 22, 1983 issued to ONG TA LEAD FACTORY INC.;
6. Certificate of Registration No. 4-2004-001975 dated November 20, 2005, issued by the Intellectual Property Office to ONG TA LEAD FACTORY INC.;
7. Trademark form application No. 04-2011-012378 for "NIKOLITE" dated October 14, 2011; and,
8. Affidavit of ONG AY SI.

The preliminary conference was held and terminated on 13 November 2013. The Opposer submitted its position paper on 27 January 2014. The Respondent-Applicant however, failed to submit its position paper.

Should the Respondent-Applicant be allowed to register the trademark NIKOLITE?

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 out into the market a superior 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>4</sup>

The Opposer anchors its case on Sec. 123.1 (f) R.A. No. 8293, otherwise known as the Intellectual Property Code ("IP Code"):

A mark cannot be registered if it:

x x x

(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.

In this regard, the trademark "NIKON" has been declared well-known<sup>5</sup> in the case *Nikon Corporation v. San Mateo Rubber Corporation*<sup>6</sup>. It was further held that:

x x x This Bureau already ruled that the NIKON is a highly distinctive mark and there is no evidence or proof that the word is of common usage in the Philippines aside from it being used as a trademark or brand.

x x x

The evidence, including copies of certificates of trademark registration in the Philippines, list of registrations of its marks in different countries and other pieces of evidence relating to the extent of sales, advertisement and promotion of NIKON Products, shows that the mark is well known internationally and in the Philippines.

But while the Opposer's mark "NIKON" is a well-known mark, the Opposer failed to prove the concurrence of the second and third requisites<sup>7</sup> to avail of the protection under the aforementioned provision of the IP Code. The Opposer merely averred conclusive statements, and failed to substantiate proof of connection between its products and that of Respondent-Applicant's. The Opposer likewise failed to prove its allegation that its mark will be damaged by the quality of Respondent-Applicant's goods or that it wishes to expand its business to the production of soldering lead bars.

The competing marks are reproduced below for comparison and scrutiny:

<sup>4</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).

<sup>5</sup> Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers.

<sup>6</sup> IPC No. 14-2010-00127, Resolution dated 04 November 2013.

<sup>7</sup> Sec. 123.1(f), IP Code.

**Nikon**

Opposer's Trademark



Respondent-Applicant's Trademark

A practical approach to the problem of similarity or dissimilarity is to go into the whole of the two trademarks pictured in their manner of display. Inspection should be undertaken from the viewpoint of a prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of the trademark said to be infringed. Some such factors as "sound; appearance; form, style, shape, size or format; color; ideas connoted by marks; the meaning, spelling, and pronunciation, of words used; and the setting in which the words appear" may be considered.<sup>8</sup> Thus, confusion is likely between marks only if their over-all presentation, as to sound, appearance, or meaning, would make it possible for the consumers to believe that the goods or products, to which the marks are attached, emanate from the same source or are connected or associated with each other.

The only similarities are that both marks start with "NIKO", and are italicized in font. The differences however, are substantial. Opposer's "NIKON" mark is printed in boldface against a yellow and white background. Respondent-Applicant's "NIKOLITE" mark, on the contrary, is not in boldface and seems to be engraved upon the goods. "NIKOLITE" is also in uppercase letters, while in "NIKON", only the letter "N" is in uppercase form.

Thus, confusion or mistake, much less deception, is unlikely in this instance. It is far-fetched that consumers will be reminded of the mark "NIKON" when confronted with goods bearing the "NIKOLITE" mark. Neither it is likely that consumers would believe that "NIKOLITE" is just a variation of "NIKON". The goods or service covered by Opposer's trademark registration are far different from that of the Respondent-Applicant's. The Opposer's "NIKON" covers Trademark Registration Certificate No. 29680 under classes 09 and 10<sup>9</sup>; while the Respondent-Applicant's goods are covered by class 06. The parties' respective goods/service neither flow in the same channels of trade nor target the same market as to result to any confusion. A consumer could easily discern that there is no connection between the two marks where the Opposer's goods with the brand of NIKON are physical and chemical apparatus and instruments, optical apparatus and instruments, medical instruments, their parts and accessories and photographic materials.<sup>10</sup> Therefore, it is doubtful that a purchaser of the mentioned goods of Opposer's or securing the service, repair and maintenance of the said goods would go to hardware and construction material supply stores selling Respondent-Applicant's soldering lead bars used usually by building and plumbing contractors. Buyers of branded products are highly aware of the channels of trade either to make a purchase, or for the repair and maintenance of the same.

<sup>8</sup> Etepha A.G. vs. Director of Patents, G.R. No. L-20635, 31 March 1966.

<sup>9</sup> Trademark Search available at <http://www.wipo.int/branddb/ph/en/> (last accessed 22 July 2015).

<sup>10</sup> Id.

Corollarily, the enunciation of the Supreme Court in the case of *Mighty Corporation vs. E. & J. Gallo Winery*<sup>11</sup> aptly states that:

"A very important circumstance though is whether there exists likelihood that an appreciable number of ordinarily prudent purchasers will be misled, or simply confused, as to the source of the goods in question. The 'purchaser' is not the 'completely unwary consumer' but is the 'ordinarily intelligent buyer' considering the type of product involved. He is 'accustomed to buy, and therefore to some extent familiar with, the goods in question. The test of fraudulent simulation is to be found in the likelihood of the deception of some persons in some measure acquainted with an established design and desirous of purchasing the commodity with which that design has been associated. The test is not found in the deception, or the possibility of deception, of the person who knows nothing about the design which has been counterfeited, and who must be indifferent between that and the other. The situation, in order to be objectionable, must be such as appears likely to mislead the ordinary intelligent buyer who has a need to supply and is familiar with the article that he seeks to purchase."

Lastly, there is no indication that the Respondent-Applicant is motivated or has the intention of imitating, much less riding in on the goodwill of "NIKON" marks. It appears that Respondent-Applicant is the owner of the registered mark "NIKOLITE" with Reg. No. 031784 for lead solders or soldering leads on 22 April 1983, which was filed on 26 March 1980; and "NIKOLITE with star design" with Reg. No. 024556 for metal babbits on 22 March 1977, which was filed on 25 March 1975.<sup>12</sup> Respondent-Applicant also submitted a notarized Assignment of Registered Trademark dated 01 August 1969<sup>13</sup>, showing the sale, assignment and transfer of the registered trademark "NIKOLITE"<sup>14</sup> from the registered owner ONG TA to herein Respondent-Applicant, ONG TA LEAD FACTORY, INCORPORATED.<sup>15</sup>

**WHEREFORE**, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2011-012378 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 22 July 2015.

Atty. **NAT. NIEL S. AREVALO**  
Director, Bureau of Legal Affairs

<sup>11</sup> G.R. No. 154342, 14 July 2004.

<sup>12</sup> IPOPHl Trademarks Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 24 July 2015).

<sup>13</sup> Exhibit "4" of Respondent-Applicant.

<sup>14</sup> Exhibit "3" of Respondent-Applicant.

<sup>15</sup> Supra at 13.