



HONDA MOTOR CO. LTD.,
Opposer,

-versus-

CATHERINE SALES DY,
Respondent-Applicant.

X-----X

}
} **IPC No. 14-2009-00090**
} Opposition to:
} Appln Serial No. 4-2008-005689
} Date Filed: 15 May 2008
} **TM: "A Three Dimensional**
} **Engine Device"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 174 dated September 02, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 02, 2015.

For the Director:

MARILYN S. RETUAL
IPRS IV, Bureau of Legal Affairs



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IPC No. 14-2009-00090
Opposition to:

Appln.No. 4-2008-005689
Date Filed: 15 May 2008
Trademark: **"A Three Dimensional
Engine Device"**
Decision No. 2015 - 174

DECISION

HONDA MOTOR CO. LTD., ("Opposer"),¹ filed an opposition to Trademark Application Serial No. 4-2008-005689. The application, filed by CATHERINE SALES DY ("Respondent-Applicant"),² covers the mark "A Three Dimensional Engine Device" for use on goods under class³ 07 namely, *general purpose engine*.

The Opposer alleges the following grounds for opposition:

"3. Opposer is one of the world's leading manufacturers and distributors of general purpose engines which are extensively sold, offered for sale, advertised and widely promoted worldwide through its worldwide distributors, and in the Philippines through its subsidiary Honda Philippines, Inc. and its nationwide dealers under the internationally well-known trademark HONDA. Particularly famous are Opposer's GX 160 and GX 200 general purpose engines because of its attractive and distinctive design and colors, but also because of its compact size, and multiple uses, such as but not limited to: marine use (motor of 'banca'), agriculture (sprayers, blowers, micro mill), transportation (motorized 'trisikad') and construction.

Opposer has obtained trademark registrations for its highly distinctive three-dimensional mark for its general purpose engine in the Philippines, as follows:

A Device Consisting of a General Purpose Engine With its Cylinder Barrel Slanted 25 Degrees and the Starter/Recoil Case and Fan Cover Colored Red, the Muffler Protector and Air Cleaner Case Colored Black and the Tank Colored White

Reg. No. Issue Date
4-2004-002093 June 25, 2006

A Three Dimensional Device Colored Black of a General Purpose Engine with its Cylinder Barrel Slanted 25 Degrees the Muffler & Air Cleaner Arranged Side by Side Creating a Straight Line Perpendicular to the Fuel Tank, Mounted on Top of the Crank Case with the Starter/Recoil Case in Front Creating a Compact Look

Reg. No. Issue Date
4-2007-010070 Sept. 20, 2008

3.1. Under both the foregoing registrations, the trademark that has been registered is a three-dimensional device consisting of a configuration or shape of an engine with the following essential and distinctive features:

¹ A corporation organized and existing under the laws of Japan, with principal address at No. 1-1, 2-Chome, Minami-Aoyama, Minato-ku, Tokyo 107-8556, Japan.

² Filipino, with registered address at 901 EDSA Philam Homes, 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.

- 3.1.1. Its cylinder is mounted obliquely upward on the crankcase at an angle of 25 degrees;
- 3.1.2. Its box-shaped fuel tank is mounted on top of the crankcase;
- 3.1.3. Its box-shaped air cleaner case and box-shaped muffler protector are installed on the cylinder parallel to each other with substantially the same width as the fuel tank; and
- 3.1.4. From the top surface view, the engine appears rectangular in shape due to the arrangement of the fuel tank, air cleaner case and muffler protector.
- 3.1.5. Another essential element of the device registered as TM No. 4-2004-002093 is that the recoil starter cover and fan cover are colored red, the air cleaner and muffler protector are colored black, and the fuel tank is colored white, for which Opposer has made claims to the colors red, black and white in its registration. With regard to the trademark registered as TM No. 4-2007-010070, the device is colored black.

3.2. It is the above mentioned distinctive features of the subject registered trademarks, taken altogether, which render Opposer's general purpose engines distinctive. What is registered as a trademark is the entire configuration, i.e. 'the form, as of a figure, determined by the arrangement of its parts or elements' and its color combination, altogether taken as a whole trademark. In other words, in the subject registered trademarks, what is registered are not the individual components of an engine or the color of its parts, but the specific arrangement or configuration of these parts in combination with the color in which said parts appear.

3.3. The shape or configuration and color of the registered trademarks have no functional purpose, but was created only for artistic or aesthetic purpose.

"4. Opposer manufactures and sells GX 160 and GX 200 general purpose engines in various colors worldwide, including in the popular red, black and white combination, which has been in the market since the year 1983. In the Philippines, Opposer has been selling its GX 160 general purpose engine as early as 1991 and its GX 200 general purpose engine as early as 1995. As such, Opposer's three dimensional general purpose engine device trademark has acquired distinctiveness through long, exclusive and continuous use.

"5. Opposer manufactures and sells the general purpose engines with proprietary and distinctive shape in various colors worldwide, including in the popular red, black and white combination, which has been in the market since the year 1983. Opposer's general purpose engine device mark also comes in black, orange, green, and several other colors. In fact, in the case of original manufacturers (OEM) which use the Honda general purpose engines to power it, Opposer produces said general purpose engines bearing its distinctive three dimensional marks in different colors to complement or harmonize with the color scheme of said OEM's.

"6. As prior user and owner of the subject general purpose engine device mark not only in the Philippines but worldwide, Opposer has also obtained registrations for the same in other countries such as Jordan, Cambodia, Myanmar, Lao, United Arab Emirates and Panama and Singapore. Furthermore, there are pending applications for the same device in Brunei, India, Pakistan, and Community Trademark (Europe).

"7. Moreover, Opposer has spent huge amounts of money in advertisements and promotions for its general purpose engines, thereby enhancing further the distinctiveness of its three dimensional engine device mark. Thus, the subject registered trademark has not only acquired secondary meaning in the Philippines but also worldwide, as evidenced by the worldwide sales of Opposer's general purpose engines for the last 20 years.

"8. Opposer, as owner of the above registered marks has also consistently protected its rights to the same, by filing cases against infringers thereof, not only in the Philippines, but also in other countries around the world.

"9. Section 123.1 (l) of RA 8293 states that a mark cannot be registered if it consists of color alone, unless defined by a given form. The provision is clear and leaves no room for interpretation. The law declares as non-registrable a mark which consists of 'color alone, unless

defined by a given form'. This means that color is registrable only as an element or component of a registrable form. Without a registrable form to which the color pertains, there is no registrable mark.

"10. It is fundamental in trademark jurisprudence that color alone, unless displayed in a distinct or arbitrary design, does not function as a trademark.

"11. Without a registrable form to which the color pertains, there is no registrable mark. A perusal of Respondent-Applicant actually seeks to be registered is the color silver per se, without a given form. Even as Respondent-Applicant has entitled her trademark 'A Three-Dimensional Engine Device,' Respondent-Applicant, has in fact disclaimed the 'representation of engine per se,' which is what gives form to the trademark applied for. The device having been disclaimed and thus not forming part of the mark, there is no actually no registrable form/mark that remains. It is not the color per se but the specific configuration, or arrangement of the components of a three-dimensional device, that is, the entirety of the design which makes such a trademark distinctive. The representation of an engine having been disclaimed, what is left is merely the color silver. Clearly without the disclaimed configuration that would define the trademark applied for, the registration of the color silver per se in violation of Section 123.1 (l) of RA 8293 and is an absolute ground for the rejection of the application.

"12. Assuming arguendo that there exists no absolute ground for the rejection of the Respondent-Applicant's trademark application, the registration of said trademark must still be rejected for being in violation of Section 123.1 (d) and (e) of the Intellectual Property Code.

"13. An examination of the 'Three-Dimensional Engine Device' applied for by Respondent-Applicant shows an identity/confusing similarity with Opposer's registered general purpose engine device. The configuration, shape, the arrangement of parts and over-all design are the same as that of Opposer's registered marks. Curiously, even if Respondent-Applicant claims the color silver only, the dominant color of her trademark is actually black.

"14. Respondent-Applicant cannot be allowed to register her 'Three-Dimensional Engine Device' by a mere disclaimer of the 'representation of engine per se.' The engine representation in Respondent-Applicant's application is identical/confusingly similar to Opposer's three-dimensional engine device, which is not a generic configuration of a general purpose engine but a duly registered mark of the Opposer. Its configuration and design is unique to Opposer's GX general purpose engines. This device is what distinguishes Opposer's general purpose engines from those of other genuine manufacturer in the market. Other legitimate manufacturers produce general purpose engines in designs and colors marked different from the subject registered trademark.

"15. In his Affidavit-Direct Testimony, Mr. Reneiro Regaspi identifies some of Opposer's genuine competitors' general purpose engines and shows how their colors, shape, arrangement of parts, are different from Opposer's.

"16. Opposer has also offered evidence, in the form of colored images or representations and comparison charts, to visually illustrate the distinction of Opposer's engine from other genuine general purpose engines available in the market, in terms of design, configuration and color, thus showing that the subject registered mark is indeed distinctive and serves the purpose of a trademark.

"17. Opposer's registered trademarks consist of shapes, colors, combinations of colors, the manner of which are mainly decorative, and are not generic of the goods covered. The registered trademarks are distinctive and unique to the Opposer, a company that stands for quality, a reputation that has been earned over the years through long use of the subject device for over fifteen (15) years, and because the consumers instantly identify the appearance of engines bearing the registered marks as belonging to the Opposer.

"18. Clearly, Opposer's registered marks cannot just be freely adopted by any enterprising businessman such as Respondent-Applicant herein. These are not generic designs for general purpose engines but pertain only to the engines manufactured by the Opposer. Respondent-Applicant cannot be allowed to register its trademark by merely disclaiming the 'representation of engine per se.' Other machines performing similar functions that are manufactured and/or sold by other legitimate manufacturers in the market, such as Mitsubishi, Yamaha, Briggs & Stratton, Yanmar, and Kawasaki do not look like the Opposer's general purpose engines. While all of the aforementioned engines may have similar functional parts, and the color of their main parts. It is these differences which make Opposer's engine distinctive and which identify its respective source or manufacturer. Through long and continued use, Opposer's general purpose engine device has gained secondary meaning in the market, such that the same has come to mean that the article is its product.

"19. Respondent-Applicant has knowledge that Opposer has long been selling and distributing general purpose engines in the form of the subject registered trademark when it filed its application for registration. Respondent-Applicant is the President and major shareholder of Zircon Industrial Ventures, Inc. (Zinvenco), which together with Opposer is a member of AMMDA, Inc.. Being part of the same association as Opposer, Respondent-Applicant is undoubtedly aware that the subject trademark is a device distinctive of Opposer's general purpose engines. Being the President and major shareholder of Zinvenco, Respondent-applicant must know fully well that it is the Opposer who has from the beginning been manufacturing and distributing general purpose engines in the shape and form of the subject device.

"20. Zinvenco is also the consignee or importer of infringing goods which were seized by the Bureau of Customs in 2007. The Bureau of Customs had seized the infringing goods which Respondent-Applicant imported to the Philippines on the strength of the registration of Opposer's trademark. Due to said seizure, Zinvenco's principal Taizhou Jiali Import & Eport Co. Ltd. filed a case with this Honorable Office for the cancellation of TM Registration No. 4-2004-002093 (IPC No. 14-2008-00036).

"21. Despite such knowledge of Opposer's prior use and ownership over the design of its general purpose engines, Respondent-Applicant has continued to import to the Philippines engines infringing on Opposer's right over the subject device. It is quite obvious that Respondent-Applicant is now seeking registration of a confusingly similar mark so that she can not only escape the legal repercussions of Zinvenco's acts of infringement, but so she can continue such acts without legal repercussions."

The Opposer's evidence consists of the following:

1. Special Power of Attorney;
2. General Information Sheet of Zircon Industrial Venture Corporation (Zinvenco);
3. Certified true copies (Ctc) of Certificates of Registration Nos. 4-2004-002093 and 4-2007-010070;
4. Affidavit-Direct Testimony of Erwin Estrada, Reinerio Regaspi, and Mikio Yoshimi;
5. Brochures of Opposer to dealers/consumer of its general purpose engine in varying horsepower; and appearance in colors, shape and arrangement of parts;
6. Sales Invoices of Honda's GX 160 and GX 200 engine models;
7. Honda engines Owner's Manual;
8. Consolidated sales figures from the Agricultural Machinery Manufacturers and Distributors Association;
9. Honda's seminar, product demonstrations, events and activities, print advertisements, and participation in trade fairs;
10. Publication of "Warnings" and destruction of counterfeit engines in newspaper of

- general circulation;
11. Honda's general purpose engine in black, orange, green and several other colors;
 12. Honda's general purpose engine to complement the color scheme of OEM's;
 13. Registrations in Jordan, Cambodia, Myanmar, Lao, United Arab Emirates, Panama and Singapore;
 14. Pending application in Brunei, India, Pakistan and Community Trademark (Europe);
 15. Advertisements and promotional costs of Honda;
 16. Worldwide sale of Honda's general purpose engines for the last 20 years;
 17. The American Honda Motor Co., Inc. court decision;
 18. Comparison of Powertrain engine and the Opposer's general purpose engine;
 19. Order and Judgment dated 27 August 2007 with Jury's Verdict dated 13 August 2007 and Honda's Amended Counterclaim;
 20. Portion of court's decision on Honda's protectable trade dress;
 21. Honda Logistik Center Deutschland GmbH vs. Ningbo Yat Electrical Appliance Co. Ltd.;
 22. Petition for Interim Injunction in English;
 23. Grant of Interim Injunction;
 24. Case File Nos. 2005-932 (Judgment No. 2006-26); 2006/562; 2005/933 (Judgment No. 2007/341); and 2005/282 (Judgment No. 2006/474);
 25. Proceedings in common law countries - South Africa and the United Kingdom;
 26. Distinction of Honda's engine from other general purpose engines;
 27. Commercial Invoices and Bills of Lading of ZINVENCO's shipments;
 28. Photographs of gasoline power engine and water pump sets;
 29. Cts of Warrant of Seizure and Detention, supporting documents, letter-request and Certifications issued by Reinerio Regaspi;
 30. Taizhou's Exhibits "C" to "E" with sub-markings; and Supplemental Affidavit of Reinerio Regaspi;
 31. Cts of Articles of Incorporation and 2008 GIS Honda Philippines, Inc.;
 32. Copyright Registration No. 2003-276 for GX160 General Purpose Engine (2002 Model);
 33. Affidavit of Atty. Joseph Adamos;
 34. Cts of images of general purpose engines of Yamaha MZ175/R and Yamaha MZ250/R;

On 25 August 2009, Respondent-Applicant filed its Verified Answer containing among others the following Affirmative Allegations:

"10. She filed Application Serial No. 4-2008-005689 in good faith and which complies with the provisions of the IP Code, including section 123.1 thereof;

"11. Respondent-Applicant's mark, 'A THREE DIMENSIONAL ENGINE DEVICE COLORED BLACK, RED, WHITE, SILVER', with color claim of Red and Silver, is neither identical nor confusingly similar to any of Opposer's registered marks.

"12. Respondent-Applicant's mark 'A THREE DIMENSIONAL ENGINE DEVICE COLORED BLACK, RED, WHITE, SILVER' with color claim of Red and Silver is neither identical nor confusingly similar with the marks being used by other manufacturers and distributors of general purpose engines in the Philippines.

"13. In IPC No. 14-2008-00036, Opposer's Registration No. 4-2004-002093 was ordered cancelled.

"14. Notwithstanding the submission by Opposer of Exhibits '2' to '2-q'; '3-ttt'; '4' to '4-bbbb'; and '5' to '5-ff' in IPC No. 14-2008-00036, certified copies of which are now submitted by Opposer in this case as its Exhibits 'D' to 'D-18', with sub-markings; 'E' to 'E-31', with sub-markings; 'F' to 'F-28', with sub-markings; and 'G' to 'G-31', with sub-markings, this Office ordered the cancellation of Opposer's Registration No. 4-2004-002093 thereby clearly implying the immateriality and/or irrelevancy of said exhibits in the determination of the validity of its Registration No. 4-2004-002093.

On the other hand, Opposer now submits as its Exhibits 'I' to 'I-4'; 'J' to 'J-4'; and 'K' to 'K-7-b', the certified copies of Exhibits 'C' to 'C-3'; 'D' to 'D-3'; 'E' to 'E-6' submitted by Taizhou Jiali & Export Co. Ltd. in IPC No. 14-2008-00036 in support of its petition for cancellation of Opposer's Registration No. 4-2004-002093. These exhibits appear to have supported the finding that Registration No. 4-2004-002093 of Opposer should be, as it was ordered, cancelled.

"15. As held in IPC No. 14-2008-00036, 'Three-dimensional marks that contain color, as an element are considered to be distinguishing features if the color forms part of a mode of packaging wares or goods the appearance or shape of which is used for the purpose of distinguishing or as to distinguish one persons goods from those of others.

Unlike Opposer's Registration No. 4-2004-002093 which was ordered cancelled in IPC No. 14-2008-00036, Respondent's mark 'A THREE DIMENSIONAL ENGINE DEVICE COLORED BLACK, RED, WHITE, SILVER', with color claim of RED and SILVER, distinguishes her products from those of other manufacturers or distributors.

"16. Opposer cannot claim monopoly of all the colors or combination of colors as part of its mark or marks for its exclusive use. In the same manner that it was able to register its mark 'A THREE DIMENSIONAL ENGINE DEVICE COLORED BLACK', Respondent should be allowed to register her 'A THREE DIMENSIONAL ENGINE DEVICE COLORED BLACK, RED, WHITE, SILVER' mark, with color claim of Red and Silver.

"17. Opposer's Application Serial No. 4-2006-003523 for 'A THREE-DIMENSIONAL ENGINE DEVICE' was denied by the Bureau of Trademarks and is now on appeal with the Office of the Director General."

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

1. Trademark Application Form and other paper in the file wrapper of Application Serial No. 4-2008-005689;
2. Respondent-Applicant's Disclaimer in her Response to the Registrability Report;
3. Notice of Allowance;
4. Print-out of publication of said application in the e-Gazette;
5. Decision No. 2009-31 promulgated on 31 March 2009; and,
6. Opposer's Application Serial No. 4-2006-003523.

Opposer submitted its Reply on 08 September 2009; whereas, Respondent-Applicant submitted its Rejoinder on 29 September 2009. Thereafter, the preliminary conference was conducted and terminated on 12 November 2009. Upon the filing of the Opposer and the Respondent-Applicant's position papers on 25 January 2010, this case is deemed submitted for resolution.

Should the Respondent-Applicant be allowed to register the trademark "A THREE DIMENSIONAL ENGINE COLORED BLACK, RED, WHITE, SILVER"?

Trademark refers to any visible sign capable of distinguishing the goods of an enterprise and shall include a stamped or marked container of goods

In this instant case, the Opposer anchored its opposition on pars. (d), (e) and (l) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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;

(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;

x x x

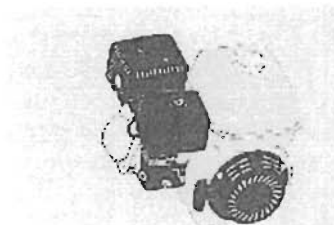
(k) Consists of shapes that may be necessitated by technical factors or by the nature of the goods themselves or factors that affect their intrinsic value;

(l) Consists of color alone, unless defined by a given form;

The competing marks are hereby reproduced:



Opposer's Trademarks



Respondent-Applicant's Trademark

Respondent-Applicant's application shows the title, "A THREE-DIMENSIONAL ENGINE COLORED YELLOW, BLACK, AND SILVER", which is generic and totally descriptive of a general purpose engine under class 07, the goods it seeks to cover. Succinctly, Respondent-Applicant's "three-dimensional mark" refers obviously to the product itself. The features consisting the said engine are merely the ordinary components thereof. The mark as a whole contains no distinctive features to distinguish the goods from those manufactured or sold by others. The pictures of the machine in the file wrapper records will tell that Respondent-Applicant's engine appears like any ordinary engines in the market and usual in an established trade practice. It failed to show the configuration and the arrangement of the component parts of its general purpose engine to distinguish it from other engines of its competitors.

Also, the Respondent-Applicant's use of color alone without a given form is non-registrable. Three-dimensional marks that contain color as an element are considered to be distinguishing features if the color forms part of a mode of packaging wares or goods the appearance or shape of which is used for the purpose of distinguishing it from the other goods. In this case, the colors yellow, black, and silver, particularly with claim of colors yellow and silver failed to define an unusual or distinct form as provided in Sec. 123.1 (l) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-005689 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, 02 September 2015.



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