

**WONG TIAN CHIONG,**  
Petitioner,

**-versus-**

**ZETA INTERNATIONAL TRADING CORP.,**  
Respondent-Registrant.

X-----X

} **IPC No. 14-2010-00147**  
}  
} Cancellation of:  
} Registration No. 4-2003-7677  
} Date Issued: 20 October 2004  
} **TM: "AMERICAN VALLEY"**

**NOTICE OF DECISION**

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**ZETA INTERNATIONAL TRADING CORP.**  
Respondent-Registrant  
No. 252 G. Araneta Avenue  
San Francisco Del Monte  
Quezon City

**GREETINGS:**

Please be informed that Decision No. 2015 - 285 dated December 21, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, December 21, 2015.

For the Director:

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

WONG TIAN CHIONG.,

Petitioner,

**IPC NO. 14 - 2010- 000147**

Case Filed on: 19 July 2010

- versus -

Cancellation of:

Registration No. 420037677

Date issued: 20 October 2004

**TM: "AMERICAN VALLEY"**

ZETA INTERNATIONAL TRADING  
CORP.,

Respondent-Registrant.

X-----X

**DECISION NO. 2015 - 285**

## DECISION

WONG TIAN CHIONG (Petitioner)<sup>1</sup> filed a petition for cancellation to Trademark Registration No. 4-2003-7677. The trademark registration owned by ZETA INTERNATIONAL TRADING CORP. (Respondent-Registrant)<sup>2</sup> covers the mark "American Valley" for services under Class 11 and 19 of the International Classification of Goods<sup>3</sup> covering "sanitary ware fixtures, water closet, bowl, lavatory, soap holder, paper holder, bath tub, bathroom enclosure, bathroom accessories such as Faucet valve, cock" and "mixer ceramic tiles and ceramic accessories."

The Petitioner's material allegations are quoted as follows:

1. The trademark 'AMERICAL VALLEY' (sic) of the Respondent so resembles the trademark 'VALLEY' owned by Petitioner.
2. The trademark VALLEY of the Petitioner was issued a Certificate of Registration No. 4-1996-109096 (sic) on 17 October 2002 based on application filed on 19 March 1996.
3. On the other hand, Respondent's Registration was issued based on application filed on 21 August 2003.
4. However, it should be noted that on two previous interpartes cases involving the same parties herein, this Honorable Office has twice ruled that the mark VALLEY belongs to the Petitioner. A more elaborate explanation of this matter will be discussed in the affidavit of the Petitioner which is incorporated into and made part of this Petition by way of reference
5. Clearly the adoption again of the mark AMERICAN VALLEY by the Respondent on the same line of goods which flow through the same

<sup>1</sup> Filipino of legal age with principal address at Suite 501-F State Centre Building, 333 Juan Luna Street, Binondo, Manila.

<sup>2</sup> A domestic corporation with principal address at 252 G. Araneta Avenue, San Francisco del Monte, Quezon City.

<sup>3</sup> 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.

channels of trade will cause confusion on the part of the buying public.

6. The registration of the trademark 'AMERICAN VALLEY' in the name of the Respondent will violate Sect. 123 of Republic Act No. 8293, otherwise known as the 'Intellectual Property Code of the Philippines', which provides, in part, 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

7. Respondent's use and registration of the trademark 'AMERICAN VALLEY' will diminish the distinctiveness and dilute the goodwill of Opposer's (sic) trademark 'VALLEY'. The goodwill of the mark VALLEY is very evident in the light of the fact that after two inter partes cases involving the mark VALLEY, Respondent still tried to register the same in different forms i.e. VALLEY II and the mark involved in this case – AMERICAN VALLEY.

In support of its Petition, the Petitioner submitted the following evidence:

1. Exhibit "A", "A-1" to "A-4" – commercial documents proving use of the mark in commerce;
2. Exhibit "B" – Certificate of Registration with Serial No. 4-2003-7677;
3. Exhibit "C" – Copy of the Decision in Inter Partes Case No. 14-1998-00062 on the trademark "Valley";
4. Exhibit "D" – Copy of the Decision in Inter Partes Case No. 14-2005-007678 on the trademark "Valley II"; and
5. Exhibit "E" – Affidavit of Wong Tian Chiong dated 4 November 2009.

Pursuant to the Regulations on Inter Partes Proceedings, this Bureau issued a Notice to Answer and served a copy thereof to Respondent-Registrant on 3 September 2010.

On 4 October 2010, Respondent-Registrant filed a Motion for Extension of Time to File Verified Answer and Submit Evidence praying for additional of thirty (30) day extension. However, the Respondent-Registrant still failed to file its Answer.

On 12 August 2013, this Bureau issued an order declaring the Respondent-Registrant in default. Subsequently, the case is submitted for decision.

The issue to be resolved in the instant case is whether Respondent-Registrant's trademark "American Valley" should be cancelled.

A perusal of the instant petition shows that it is anchored on Section 151.1, paragraphs (a) and (b), in relation to Section 123.1, paragraphs (d) and (e) of the IP Code. The particular provisions are hereby quoted as follows:

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 the 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 was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used. If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used. x x x

Section 123.1 A mark cannot be registered if it:

x x x

(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
- (ii) If it nearly resembles such mark as to be likely to deceive or cause confusion;

(e) Is identical with or confusingly similar to or constitute 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

The records shows that at the time of the Respondent-Registrant filed its trademark application on 21 August 2003, the Petitioner has already an existing trademark registration for "VALLEY" bearing Reg. No. 41996106771 issued on 17 October 2002. This registration

covers "*Bibbs, cocks, valves, p trap and plumbing accessories, all parts of sanitary wares, lavatory and water closet*" under Class 11.<sup>4</sup>

Notably, *cocks, valves, sanitary wares, lavatory and water closet* are among the applied usage for the trademark "American Valley." Undoubtedly, the two competing marks are being used on similar or closely related goods.

However, the similarity in the goods of the parties will only be relevant and the aforementioned provisions of the IP Code apply if there will be a finding of confusing similarity between the two competing trademarks. In this instant, this bureau finds that the marks are confusingly similar.

The marks are shown below for comparison:

**Valley**

Petitioner's Mark

*American Valley*

Respondent-Registrant's Mark

The word "VALLEY" is the prominent feature of both word marks. The use of the word "valley" is unique as far as the goods involved are concerned. Thus, while the mark applied for registration by the Respondent-Registrant has an adjective word "American" added to the word "valley," the same idea or concept is conveyed by the mark. In fact, it may even suggest that it is one of the product line of the Petitioner. Thus, the attempt of the respondent-registrant to include additional word "AMERICAN" in the wordmark "VALLEY" is not sufficient to distinguish its mark from the Petitioner.

In our jurisdiction that the law does not require that the competing trademarks must be so identical as to produce actual error or mistake. It would be sufficient, for purposes of the law that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.<sup>5</sup> Corollarily,<sup>6</sup> the law does not require actual confusion, it being sufficient that confusion is likely to occur.<sup>6</sup> Because the junior registrant will use his mark on goods that are similar and/or closely related to the senior registrant, the consumer is likely to assume that the junior registrant goods originate from or sponsored by the senior registrant, which in the instant case is the Petitioner or believe that there is a connection between them, as in a trademark licensing agreement. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:<sup>7</sup>

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to

<sup>4</sup> 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.

<sup>5</sup> American Wire & Cable Co. vs. Director of Patents, et. al., G.R. No. L-26557, February 18, 1970

<sup>6</sup> Philips Export B.V. et. al. vs. Court of Appeals, et. al., G.R. No. 96161, February 21, 1992

<sup>7</sup> Converse Rubber Corporation vs. Universal Rubber-Products, Inc. et. al. G.R. No. L27906, January 8, 1987


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.

Definitely, the field from which a person may select a trademark is practically unlimited. As in all other cases of colourable imitation, the unanswered riddle is why, of the millions of terms and combination of design available, the junior registrant 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.<sup>8</sup>

**WHEREFORE**, premises considered the petition for cancellation is hereby **SUSTAINED** and the Certificate of Registration with Serial No. 4-2003-7677 is hereby **CANCELLED**. Let the filewrapper of Trademark Registration with Serial No. 4-2003-7677 be returned, together with a copy of this Decision, to the Bureau of Trademark for information and appropriate action.

**SO ORDERED.**

Taguig City, 21 December 2015



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

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<sup>8</sup> American Wire & Cable Company vs. Dir. Of Patent , G.R. No. L-26557, February 18, 1970.