

NIKON CORPORATION,
Opposer,

-versus-

ISCO HOLDING CORPORATION,
Respondent- Applicant.

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} **IPC No. 14-2011-00029**
}
} Opposition to:
} Appln. Serial No. 4-2009-009807
} Date Filed: 25 September 2009
} **TM: "NIKON & DESIGN"**
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NOTICE OF DECISION

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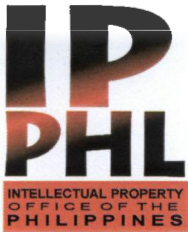
GREETINGS:

Please be informed that Decision No. 2016 - 61 dated March 01, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 01, 2016.

For the Director:


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



NIKON CORPORATION,
Opposer,

IPC No. 14-2011-00029

- versus -

Opposition to:

ISCO HOLDING CORPORATION,
Respondent-Applicant.

Appln. Serial No. 4-2009-009807
Date filed: 25 September 2009
Trademark: "NIKON & DESIGN"

X-----X

Decision No. 2016 - 61

DECISION

NIKON CORPORATION ("Opposer")¹ filed a verified opposition to Trademark Application Serial No. 4-2009-009807. The application, filed by ISCO HOLDING CORPORATION ("Respondent-Applicant")², covers the mark "NIKON & DESIGN" for use on goods under the following classes³: **07** namely, *washing machines; vacuum cleaners; floor polishers; electric blender; electric juicer; electric coffee maker; electric food processor; water pumps;* **09** namely, *television, MP3/MP4 player, DVD, component, disc players/recorders, radio, speakers, amplifiers, electric fans, ceiling fans, orbit fans, box fans, industrial fans, exhaust fans, air coolers, air humidifiers, air cleaner, ionizers, computers, flat iron;* **11** namely, *air conditioners, gas range, electric range, range hoods, gas stoves, electric stove, rice cooker, oven toaster, turbo broiler, induction cooker, electric oven, deep fryer, grillers, sandwich makers, food steamer, bread maker, water purifier, electric airpot, flashlights, rechargeable lights, CFL, led; bulbs, lighting consumables and equipments, hair dryer, refrigerator, freezers;* **14** namely *wall clocks;* and, **21** namely, *non-electric blender, juicer, coffee maker, food processor, jug, kettle, airpot, vacuum flask, water jug, water dispenser, water containers, coolers, rice dispenser.*

The Opposer alleges that it acquired ownership over the trademark "NIKON" being the first registrant and by its prior actual commercial use of the same in the Philippines. It is the owner of the trademark "NIKON" over goods classified under Classes 9 and 10 namely, 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, under Certificate of Registration No. 299680 dated 04 August 1981⁴, and which was renewed on 04 August 2001 for another ten (10) years. Moreover, "NIKON" goods have been marketed and sold in the Philippines since 1970, which was evidently earlier than Respondent's use of its mark. At present, its goods and services are available through its authorized

¹ A corporation organized and existing under the laws of Japan, with principal office at 12-1 Yurakucho 1-Chome, Chiyoda-ku, Tokyo, Japan.

² With address at 471 Elcano Street, San Nicolas, Manila.

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.

⁴ Trademark application filed on 21 February 1977.

distributor, Columbia Digital Sales Company⁵, with at least forty retail outlets in Manila alone, and numerous other outlets nationwide. Thus, it has, under the Intellectual Property Code, the right to use the same to the exclusion of all others, including the Respondent herein.

Opposer further alleged that the word mark "NIKON" is a well known mark. Its goods bearing the trademark "NIKON" enjoys international reputation and goodwill for their quality. It is sold and distributed in Japan, Philippines and in various countries. Opposer also extensively and continuously advertises its products, trademarks and name in various newspapers and magazines, and billboards both in the Philippines and abroad. Likewise, it displayed the Nikon logo at KHL hockey rinks hosting all official games. Thus, Respondent's use of the mark "NIKON & DESIGN" results in likelihood of confusion because the word "NIKON" is prominently and noticeably displayed as a component - which is aurally and visually the same as Opposer's word mark "NIKON".

The Opposer's evidence consists of the following:

1. Authenticated copy of the Verified of Opposition;
2. Authenticated copy of Affidavit-Testimony of Ichiro Terato, Representative Director, member of the Board & Executive Vice President of Nikon Corporation;
3. Application and registration for the mark "NIKON" in the Philippines and various countries;

On 06 July 2011, Respondent-Applicant filed its Answer with the Affirmative defense that it is part of judicial notice that in IPC Cases No. 4091 and 4092 both entitled Nikon Corporation vs. Nikon Industrial Corporation, the trademarks involved in these cases are: a) the word mark NIKON; and, b) the word mark NIKON with device, which are the same marks involved in this present case. This Honorable Office has already ruled in principle that the mark NIKON for household appliances can co-exist with NIKON cameras and the like. Thus, this previous case should be considered as res judicata or at least law of the case for which this case should be dismissed and/or decided according to the ruling in the said previous case. Respondent-Applicant also cited the decision of the Supreme Court in the Rolex case (paragraph 23 of the Opposition) dated 2003 which should be considered in this instant case, citing Section 147.2 of the Intellectual Property Code.

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

1. Affidavit of Jinnie So, Corporate Secretary of ISCO Holding Corporation;
2. Decision No. 2006-10 dated 10 February 2006 on Trademark: NIKON & DEVICE;
3. Securities and Exchange Commission Order in SEC Case No. 09-97-5764 dated 11 April 2002;
4. General Information Sheet of Nikon Industrial Corporation; and,
5. General Information Sheet of ISCO Holding Corporation for the year 2011.

On 12 July 2011, Opposer filed its Reply alleging the following: 1) Opposer's "NIKON" should be protected as it is likewise its business name; 2) the goods covered by the Respondent-Applicant's application is related to the goods covered by the Opposer's mark; 3) the Opposer's mark is protected as well-known mark; 4) Opposer's mark is the owner by prior use and registration; 5) the decisions in IPC Nos. 4091 and 4092 do not bind the instant case. The Reply includes the following additional evidence:

1. Decision No. 2006-90 dated 21 September 2006 entitled NIKON Corporation vs. Nikolite Industrial Corp.;

⁵ With office address at 129 G. Roxas St. Barangay Manresa, San Francisco Del Monte, Quezon City.

2. Internet search engines Google.com and Yahoo.com on general inquiry of the word "NIKON";
3. SEC negative result as to the application of NIKON as globally known trade or brand name;
4. Summary of NIKON mark's registration;
5. Respondent-Applicant's 2009 GIS and Articles of Incorporation and other financial documents; and,
6. International Registration Nos. 775489 and 877098 for NIKON.

Thereafter, the preliminary conference was held and terminated on 15 November 2011. On 28 November 2011, the Opposer filed its position paper; while Respondent-Applicant's right to file its position paper was waived because it failed to appear in the scheduled preliminary conference. Hence, this decision.

Should the Respondent-Applicant be allowed to register the trademark NIKON and DEVICE?

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.⁶ It is also emphasized that an opposition is essentially a review of the trademark application, to determine whether or not the requirements for registration are complied with and whether or not the application is proscribed by or in violation of law.

There is no doubt that the mark applied for registration by the Respondent-Applicant is identical to the Opposer's. As culled from the records and evidence, the Opposer has registration with the Philippine Patent Office on 04 August 1981 under Registration No. 29680 for the goods falling under classes 9 and 10 of the international classification of goods. This was renewed on 04 August 2001 for another ten (10) year term. It has also shown registrations of its NIKON trademark worldwide.⁷ The Opposer has likewise showed to have used, applied and issued registration the highly distinctive mark NIKON, long before any party was able to do so in various countries and in the Philippines. On the other hand, the Respondent-Applicant's trademark application for NIKON & DEVICE was filed only on 25 September 2009⁸ covering goods under classes 7, 9, 11, 14 and 21.

The Opposer anchors its opposition on paragraphs (d) and (f) of Sec. 123.1, and on Sec. 165.2 of R.A. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.1. Registrability. 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
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

x x x

⁶ 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).

⁷ Exhibits "D" and "E" to "E-18" of Opposer.

⁸ File wrapper records.

(f) 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 in accordance with the preceding paragraph; which 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 the 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. 165. Trade Names or Business Names. - x x x

165.2 (a) Notwithstanding any laws or regulations providing for any obligations 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.

Sec. 123.1(f) of the IP Code prohibits the registration of such mark if it is identical or confusingly similar to a registered mark declared by competent authority as a well-known mark. The Opposer submitted evidence that satisfies the criteria for determining whether a mark is well-known as laid down in Rule 102 of the Trademark Regulations. The regulations state that in determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

1. the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
2. the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
3. the degree of the inherent or acquired distinction of the mark;
4. the quality-image or reputation acquired by the mark;
5. the extent to which the mark has been registered in the world;
6. the exclusivity of registration attained by the mark in the world;
7. the extent to which the mark has been used in the world;
8. the exclusivity of use attained by the mark in the world;
9. the commercial value attributed to the mark in the world;
10. the record of successful protection of the rights in the mark;
11. the outcome of litigation dealing with the issue of whether the mark is a well-known mark; and,
12. the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark."

The Opposer submitted 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.

Succinctly, this Bureau finds that the use by the Respondent-Applicant of the mark NIKON:

1. is likely to cause deception or confusion;
2. would indicate a connection between the Respondent-Applicant's goods and the Opposer whereby damaging to the latter's interests; and/or

3. mislead the public.

NIKON is a highly distinctive mark. The word may have its origin or may have been derived from foreign languages. Yet, it is still not an ordinary word in the English and Filipino languages. 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. At the very least, NIKON therefore is considered as an arbitrary mark.

Shifting through the record, this Bureau noticed that the Respondent-Applicant itself submitted the proof that supports a conclusion that its use of the mark is likely to cause deception. The Respondent-Applicant's mark is shown below:



It is undisputable that Respondent-Applicant's NIKON mark is identical to that of the Opposer's. It has the same spelling, pronunciation as well as meaning. The design of the blue anchor inside the circle with the word NIKON in red ink does not provide a distinct feature sufficient to recognize independently the subject mark from that of the Opposer. The Opposer is the Japanese company that uses the mark NIKON for its products sold in the Philippines and other countries. In fact, the word NIKON also comprises its trade name or business name. Aptly, even if the Opposer's mark is not declared to be well-known, the registration of the mark NIKON in favor of the Respondent-Applicant should not be allowed. Because NIKON is a highly distinctive mark, there is the likelihood that information, assessment, perception or impression about the Respondent-Applicant's goods may unfairly case upon or attributed to the Opposer, and vice-versa. In this instant case, the Opposer's registration of NIKON trademark covers classes 9 and 10 goods. Thus, the Respondent-Applicant's subject application uses its mark on goods that are similar and/or closely related to the Opposer's goods.

The likelihood of confusion therefore, would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:⁹

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily 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. Hence, 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.

It must be stressed that the determinative factor is issues regarding the registration of a mark is not whether the mark would actually cause confusion or deception. Rather, the determinative factor in such contests is whether such mark would likely cause confusion or mistake on the part of the purchasing public. To constitute an infringement of an existing trademark, the competing trademarks need not be identical. It is sufficient that the similarity is such that there is a possibility of the purchaser of the older brand mistaking the newer brand for it.¹⁰

⁹ Converse Rubber Corporation v. Universal Rubber Products, Inc., et al. G.R. No. L-27906, 08 January 1987.

¹⁰ American Wire and Cable Co. v. Director of Patents, et al., G.R. No. L-26557, 18 February 1970.


The likelihood of confusion or deception or the public being misled is further enhanced by the fact that, as mentioned above, NIKON comprises the trade name or business name of the Opposer. The Respondent-Applicant's use, including the filing of an application to register the mark in its favor is thus considered unlawful pursuant to Sec. 165.2 of the IP Code.

That the Respondent-Applicant came up with a mark that is identical to the Opposer's by chance or coincidence suffers from lack of credibility. There is no plausible explanation as to how and why the Respondent-Applicant deals in goods using a packaging bearing the mark NIKON. In these kind of cases, the Supreme Court has consistently held that as between the newcomer who by confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.¹¹

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2009-009807 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, 01 March 2016.



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

¹¹ Del Monte Corporation et al., v. Court of Appeals, G. R. No. 78325, 25 January 1990.