

TOYODA GOSEI CO., LTD.,  
Opposer,

-versus-

JRD DYNAMICS CO.,  
Respondent- Applicant.

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IPC No. 14-2011-00245  
Opposition to:  
Appln. Serial No. 4-2010-009126  
Date Filed: 19 August 2010  
TM: "TOYODA GOSEI AND  
DEVICE"

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**NOTICE OF DECISION**

**FEDERIS & ASSOCIATES LAW FIRM**  
Counsel for the Opposer  
Suite 2004 88 Corporate Center  
141 Valero corner Sedeño Street  
Salcedo Village, Makati City


**JRD DYNAMIC COMPANY**  
c/o NILA N. MENDIOLA  
Respondent-Applicant's Agent  
Unit 4-B Lem Building, Baler Street  
Santiago Village, Makati City

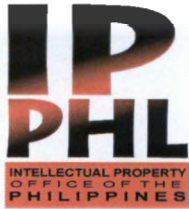
**GREETINGS:**

Please be informed that Decision No. 2016 - 100 dated April 08, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 08, 2016.

For the Director:

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



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	}	Decision No. 2016- <u>100</u>
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**DECISION**

TOYODA GOSEI CO., LTD.<sup>1</sup> ("Opposer"), filed an opposition to Trademark Application Serial No. 4-2010-009126. The application filed by JRD DYNAMICS CO.<sup>2</sup> ("Respondent-Applicant"), covers the mark "TOYODA GOSEI AND DEVICE" for use on "automotive spare parts namely disc pad, disc rotor, disc plate, cv boots, steering joints steering wheel, brake master, brake shoe, shock absorber, clutch cable, spark plug cable, repair kit all for automobiles" under Class 12 of the International Classification of Goods.<sup>3</sup>

The Opposer alleges the following:

"Toyoda Gosei Co., Ltd. ('Opposer') submits that the approval of the subject application for 'TOYODA GOSEI AND DEVICE' will damage and prejudice its rights as follows:

"a. The opposed trademark 'TOYODA GOSEI AND DEVICE' is identical and therefore confusingly similar to Opposer's trademark 'TG Design' which has registration and filing dates earlier than of the subject application, and hence, the registration of the opposed trademark can be validly prevented by Opposer under Secs. 147.1 and 147.2 of the IP Code, and must be denied under Sections 123.1 (d), 123.1 (e), and 123.1 (f) of the IP Code.

"b. 'TOYODA GOSEI' is Opposer's corporate name, and hence, under Section 165 of the Intellectual Property Code ("IP Code"), it can no longer be appropriated, used and registered as trademark by Respondent-Applicant.

"c. Opposer is a holder of numerous certificates of registration for the 'TOYODA GOSEI' and 'TG Design' trademarks issued in various countries, and hence, the registration of the opposed mark will damage Opposer, whose foreign registrations are protected under Section 134 of the IP Code.

"d. Opposer has already identified its goods and services in the mind of the public through its well-known goods and services bearing the 'TOYODA GOSEI' and 'TG Design' trademark and hence, it is entitled to protection under Section 168.1 of the IP Code.

"e. The use of 'TOYODA GOSEI' by the Respondent-Applicant on the goods described in the subject application will inevitably indicate an association by the public with the goods of the Opposer under

<sup>1</sup> A foreign corporation organized and existing under the laws of Japan with principal address at 1 Haruhinagahata, Kiyosu-shi, Aichi-ken, Japan.

<sup>2</sup> A domestic corporation with address at Unit 9-D Apo Street, Sta. Mesa Heights, Quezon City.

<sup>3</sup> The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

the same trademark, and thus, its registration is proscribed under 147 of the IP Code.

"f. The subject application is filed in bad faith, because there can be no reasonable explanation of the adoption and coinage of the word 'TOYODA GOSEI' by Respondent-Applicant, whose name, JRD Dynamics Co. has no connection in any way with 'TOYODA GOSEI' as to merit its coinage by JRD Dynamics Co., and hence, the inference xxx is that 'TOYODA GOSEI' was chosen deliberately by Respondent-Applicant to deceive the public, and, xxx, to take advantage of the goodwill of Opposer's well-known 'TOYODA GOSEI' and 'TG Design' trademarks.

"g. The registration of the 'TOYODA GOSEI AND DEVICE' in favor of Respondent-Applicant will result in trademark dilution as it will diminish the distinctiveness of Opposer's well-known 'TOYODA GOSEI' and 'TG Design' marks."

The Opposer's evidence consists of the following:

1. Exhibit "A" - Affidavit of Amando S. Aumento, Jr.;
2. Exhibit "B" - legalized Special Power of Attorney executed by Toyoda Gosei Co., Ltd. in favor of Federis and Associates Law Offices;
3. Exhibit "C" - certified true copy of Trademark Registration No. 4-2004-012161 for the mark "TG DEVICE (STANDARD) issued by IPOPHL;
4. Exhibit "D" - certified true copy of Trademark Registration No. 4-2004-012162 for the mark "TG DEVICE (VARIATION) issued by IPOPHL;
5. Exhibit "E" to "E-2" - copies of Toyoda Gosei Co. Ltd.'s Annual Reports for the years 2008-2010;
6. Exhibit "F" to "F-2" - printouts of the website of Toyoda Gosei Co., Ltd.;
7. Exhibit "G" - Affidavit of Masahiro Kotaki;
8. Exhibit "H" - certified true copy of Japanese Trademark Registration No. 1179383 for the Japanese equivalent of the mark "TOYODA GOSEI";
9. Exhibits "I" to "I-11" - copies of certificates of trademark registrations for the mark "TG DESIGN"; and
10. Exhibits "J" to "J-15" - copies of Japanese certificates of registrations for the mark "TREFUERZA TOYODA GOSEI.

This Bureau issued on 08 July 2011 a Notice to Answer and served a copy thereof to the Respondent-Applicant on 22 July 2011. Despite receipt of the Notice, Respondent-Applicant failed to file the Answer. As a consequence, Respondent-Applicant was declared in default. Accordingly, pursuant to Rule 2 Section 10 of the Rules and Regulations on Inter Partes Proceedings, as amended, the case is deemed submitted for decision on the basis of the opposition, the affidavits of witnesses, if any, and the documentary evidence submitted by the Opposer.

Should the Respondent-Applicant be allowed to register the mark "TOYODA GOSEI 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 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.<sup>4</sup> Thus, Sec. 123.1 (d) of the IP Code provides

<sup>4</sup>See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

The records of this case will show that when Respondent-Applicant filed its application for registration of the mark TOYODA GOSEI AND DEVICE, Opposer has already an existing registration for TG Device (Standard) and TG Device (Variation) issued on March 12 and March 19, 2007, respectively. Opposer's marks are used for goods under Class 12<sup>5</sup> and 17<sup>6</sup>. On the other hand, Respondent-Applicant's mark is also used on goods falling under Class 12<sup>7</sup>. As such, the parties use their respective marks on identical and/or similar goods, i.e., automotive parts.

Considering that the Opposer's mark has been registered earlier than Respondent's application date and the fact that the parties deal with identical and/or similar goods, the only thing to be determined is whether the Respondent-Applicant's mark is identical or confusingly similar to Opposer's mark so as to prevent the former from being registered.

The marks of the parties as shown below for comparison:



Opposer's Marks



Respondent-Applicant's Mark

It is very clear that the competing marks contain the letters TG. Opposer's marks consists of the letters

<sup>5</sup> locomotives; automobiles; mudguards for automobiles; bumpers for automobiles; couplings for land vehicles; non-skid devices for vehicle tires; anti-skid chains; head-rests for vehicle seats; trailer hitches for vehicles; reversing alarms for vehicles; luggage carriers for vehicles; valves for vehicle tires; safety belts for vehicle seats; luggage nets for vehicles; seat covers for vehicles; vehicle running boards; ski carriers for cars; rearview mirrors; vehicle seat; upholstery for vehicles; anti-theft devices for vehicles; anti-dazzle device for vehicles; anti-theft alarms for vehicles; horns for vehicles; direction signals for vehicles; steering wheels for vehicles; caps for vehicle petrol (gas) tanks; security harness for vehicle seats; sun-blinds adapted for automobiles; air bags (safety devices for automobiles); vehicle wheels; motorcycles; bicycles; cable transport apparatus and installations; safety seats for children (for vehicles); sleigh (vehicles); tires for vehicle wheels; aero planes; boats; instrument panel (interior parts for automobiles); console box subassemblies (interior parts for automobiles); registers (interior parts for automobiles); cup holders (interior parts for automobiles); defroster nozzles (interior parts for automobiles); gloves compartments (interior parts for automobiles); heater control panels (interior parts for automobiles); front pillar garnishes (interior parts for automobiles); led-illuminated scuff plates (interior parts for automobiles); assist grips (interior parts for automobiles); door trim (interior parts for automobiles); radiator grilles (exterior parts for automobiles); back door garnishes (exterior parts for automobiles); side protection moldings (exterior parts for automobiles); bumper moldings (exterior parts for automobiles); wheel caps; duct quarter vents (exterior parts for automobiles); fuel hoses and tubes (parts of automobile fuel tank); fuel tank inlet pipe assemblies (parts of automobile fuel tank); valves (parts of automobile fuel tank); water hoses (power train parts for automobiles); noise unreflective ducts for air intake (power train parts for automobiles); engine covers (power train parts for automobiles); air-cleaner hoses and resonators (power train parts for automobiles); plastic water pipes (power train parts for automobiles); reservoir tanks (power train parts for automobiles); cylinder head covers (power train parts for automobiles); cylinder head cover gaskets (power train parts for automobiles); air hoses (power train parts for automobiles); battery holders for hybrid cars (power train parts for automobiles); timing-belt covers (power train parts for automobiles); diaphragms (power train parts for automobiles); brake hoses (drive train parts for automobiles); power steering hoses (drive train parts for automobiles); speedometer gears (drive train parts for automobiles); pin boots (drive train parts for automobiles); piston cups (drive train parts for automobiles); rack and pinion boots (drive train parts for automobiles); dust covers (drive train parts for automobiles); constant velocity joint boots (drive train parts for automobiles); weather strips including opening trim weather strips for use in automobiles; glass run (sealing products for automobiles)

<sup>6</sup> Raw or semi-worked rubber; rings of rubber; water-tight rings; stuffing rings; rubber stoppers; clack valves of rubber; shock absorbing buffers of rubber; pipe gaskets; joint packings for pipes; gaskets; joint packings; pipe mufflers not of metal; pipe jackets not of metal; sleeves of rubber for protecting parts of machines; washers of rubber or vulcanized fiber; reinforcing materials not of metal for pipes; stops of rubber; cords of rubber; threads of rubber materials (not of textile use); rubber material for recapping tires; soundproofing materials; electrical insulating materials; plastic water pipes

<sup>7</sup> automotive spare parts namely disc pad, disc rotor, disc plate, cv boots, steering joints steering wheel, brake master, brake shoe, shock absorber, clutch cable, spark plug cable, repair kit all for automobiles

TG inside a hexagon while Respondent-Applicant's mark consists of the letters TG written above the words TOYODA GOSEI and enclosed in a rectangular shape. Because of these differences in their marks, it would seem that Opposer's and Respondent-Applicant's marks are not confusingly similar. However, the records will also show that the words "TOYODA GOSEI" appearing in Respondent-Applicant's mark is the trade name of Opposer. The records of this case is bereft of any explanation how Respondent-Applicant came up with the words "toyoda gosei" as its mark. Absence of such explanation, there is no other conclusion other than that Respondent-Applicant copied the same deliberately, with malice and in bad faith from Opposer. Respondent-Applicant is engaged in similar and/or related business as that of Opposer, as such, in doing business, it should have known or is familiar with Opposer and its products bearing the mark TG. Basic is the rule that trademark registration is based on ownership. Since Respondent-Applicant is not the originator or owner of the mark TOYODA GOSEI & DEVICE, the registration in its name should not be allowed.

Furthermore, Section 165 of the IP Code provides:

Sec. 165. Trade Names or Business Names. -

x x x

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.

Opposer has been using TOYODA GOSEI as its trade name since 1973 and it has also been used by its subsidiaries and affiliates.<sup>8</sup> As such, the same is protected even without registration. Accordingly, the subsequent use by Respondent-Applicant of TOYODA GOSEI as its mark for its automotive parts violates the above provision.


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.<sup>9</sup>

Accordingly, this Bureau finds that the Respondent-Applicant's trademark application is proscribed by the IP Code.

**WHEREFORE**, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filer wrapper of Trademark Application Serial No. 4-2010-009126, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 08 April 2016.

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

<sup>8</sup> See Exhibit "G" - Affidavit of Masahiro Kotaki, pp. 1-2.

<sup>9</sup> See Decision, IPC No. 14-2008-00046, 21 January 2013, available at <http://onlineservices.ipophil.gov.ph/ipcaselibrary/> <accessed 28 March 2016.