



**KAKENG INTERNATIONAL  
TRADING, INC.,**  
Opposer,

**-versus-**

**G' FIVE IP (SINGAPORE) PTE. LTD.,**  
Respondent- Applicant.

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} **IPC No. 14-2013-00311**  
} Opposition to:  
} Appln. Serial No. 4-2012-006840

} **TM: "KINGTECH"**  
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### NOTICE OF DECISION

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### GREETINGS:

Please be informed that Decision No. 2016 - 223 dated June 30, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 01, 2016.

For the Director:

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

KAKENG INTERNATIONAL  
TRADING, INC,

Opposer,

- versus -

G' FIVE IP (SINGAPORE) PTE. LTD.,

Respondent-Applicant.

X-----X

**IPC NO. 14 - 2013 - 00311**

Opposition to:

Appln Serial No. 42012006840

**TM: "KINGTECH"**

**DECISION NO. 2016 - 223**

## DECISION

KAKENG INTERNATIONAL TRADING, INC., (Opposer)<sup>1</sup> filed an Opposition to Trademark Application No. 4-2012-006840. The application filed by G'FIVE IP (SINGAPORE) PTE. LTD. (respondent-applicant)<sup>2</sup>, covers the mark "KINGTECH" for goods under Class 09 of the International Classification of Goods<sup>3</sup> particularly, "*portable telephones; battery chargers; galvanic cells; headphones; radio telephony sets; telephone apparatus; video telephones; walkie-talkies* "

The Opposer based its Opposition on the following grounds:

- "a. Opposer is the registered owner of the trademark KINGTECH under and by virtue of its Certificate of Registration No. 4-2007-006128 which was registered as early as 30 March 2009, for use on 'electric fans like ceiling fans, sanitary wares like toilet bowl, sink, lavatory, bath tub.' Furthermore, Opposer had applied for several other trademarks bearing KINGTECH for other goods and services, bearing Application No. 4-2008-000357 filed on 10 January 2008 for Classes 3, 9, 16, 18, 25; Application No. 4-2013-001963 filed on 21 February 2013 for Class 9; Application No. 4-2013-001964 filed on 21 February 2013 for Classes 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34; and Application No. 4-2013-740063 filed on 26 March 2013 for Classes 9, 11, 35.

The use and registration of the applied mark by the Respondent-Applicant will cause confusion, mistake and deception upon the buying public

<sup>1</sup> A corporation duly organized and existing under the laws of Philippines with business address at Osmena Boulevard corner F. Gonzales Street, Cebu City, Cebu, Philippines.

<sup>2</sup> A corporation organized and existing under the laws of Singapore with business address at 2 Shenton Way, #18-01, SGX Centre 1 (068804), Singapore.

<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.

and mislead them as to the origin or source, nature, quality and characteristics of the goods on which it is affixed pursuant to Sec 123.1 (d) of the IP Code. Such mistake will lead to a disastrous effect on the Opposer and to the buying public as well.

- "b. The approval of the subject application will violate the proprietary rights and interests, business reputation and goodwill of the Opposer considering that the subject mark is confusingly similar to the Opposer's mark.
- "c. The approval of the subject application will enable the Respondent-Applicant to unfairly profit from the goodwill, fame, and notoriety of Opposer and its trademark KINGTECH, to the damage and prejudice of the Opposer herein contrary to Section 168.1 of the IP Code.
- "d. Trademark dilution under the Supreme Court ruling in the case of Levi Staruss & Co. & Levi Strauss (Phils), Inc. vs. Clinton Apparelle, Inc. 470 SCRA 236."

The Opposer pertinent portions of its Opposition are as follows:

"The subject mark KINGTECH should not be allowed registration because it is confusingly similar, if not identical, to the mark KINGTECH of Opposer, which is a registered mark.

Two important facts of record in the adjudication of ownership in the present case is the Certificate of registration No. 4-2007-006128 issued on 30 March 2009 to herein Opposer, which is a prima facie evidence of ownership as per Sec. 138 of R.A. 8293, and Application No. 4-2008-000357 which was filed on 10 January 2008 for Classes 3, 9, 16, 18, 25. Although Application No. 4-2008-000357 is already deemed "Abandoned with Finality" for applicant's failure to request for its revival within the reglementary period, Opposer had no intention abandoning it altogether, and is in fact quite adamant in acquiring a Certificate of Registration for the said mark. As such, upon learning of the mistake at the beginning of this year 2013, Opposer did not waste much time to re-file the subject mark for registration, hence the presence of Application No. 4-2013-001963 filed on 21 February 2013 for Class 9. In order to protect its vested interest in expanding its business, Opposer decided to apply for the same trademark covering multitudes of goods and services, hence the presence of Application No. 4-2013-001964 filed on 21 February 2013 for Classes 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34; and Application No. 4-2013-740063 filed on 26 March 2013 for Classes 9, 11, 35. The previous application was already allowed by the handling Examiner, and a Notice of Allowance was already sent; while the latter is still pending the resolution of this opposition case.

It would seem absurd and questionable for this Office to disregard the issue of ownership in order to conveniently allow the application of the Respondent-Applicant to push through and mature into registration. It is believed that rejecting the present opposition, without due consideration of the presented prima facie evidence of ownership, is an abuse discretion that denies due protection to a legitimate IP owner in accordance with the principles and provision in the IP Code of the Philippines. During those several years, herein Opposer had diligently marketed the products bearing the mark, and had already obtained goodwill and a steady market share.

Although herein Opposer missed the deadline to request for the revival of Trademark Application No. 4-2008-000357 within the reglementary period, it had diligently filed a subsequent application upon learning of the miscalculation made. Thus, the subject application should not be treated as if it was only the first time that the Opposer applied for the registration of the subject mark. The present application should be appreciated as a deliberate action on the part of the Opposer to protect its rights as the true and legitimate

owner of the mark KINGTECH, and that the Opposer has no intention of abandoning its intellectual property rights and ownership over the mark. Thus, this Office cannot (should not) blindly deny the Opposer of its right to register the mark KINGTECH in its behalf, and deny the application for registration of the Respondent-Application. Equity and propriety require that this honorable Office act with prudence and diligence in ascertaining the facts and applying the provision of the law in favor of the legitimate owner of the subject mark. Again, Opposer would like to emphasize for the record that the Intellectual Property Office of the Philippines (IPOP HL) has recognized this legitimate owner of the mark KINGTECH by granting a Certificate of Registration bearing Registration No. 4-2007-006128. Said registration had already went through the trademark processing procedure within the Bureau of Trademarks (examination period) and within the Bureau of Legal Affairs (opposition period). And as there had been no case filed against the registration of the subject mark then, the Certificate of Registration was issued.

Aside from the ownership issue, it is deemed very obvious that mark KINGTECH filed by the Respondent-Applicant is confusingly similar to the mark KINGTECH of herein Opposer, covering closely related good. The use and registration of the applied mark by Respondent-Applicant will cause confusion, mistake and deception upon the public and mislead them as to the origin of the goods. The approval of the subject application will violate Sec 123.1 (d) of the IP Code x x x

And Section 147.1 of the IP Code affirms the protection given to a registered mark, whereby the registrant is a given the exclusive right over what is registered x x x

Sections 123 (d) and 147.1 are pivotal importance in the resolution of what marks cannot be registered that courts have granted the Intellectual Property Office the power to reject a mark being applied for registration with outright rejection if it copies a mark already used and registered. x x x

In the instant case, KINGTECH of Opposer is already a used and registered trademark under and by virtue of its Certificate of Registration No. 4-2007-006128 which was registered as early as 30 March 2009. Thus, solely on the basis of Sections 123 and 147 of the IP Code, the subject mark should not be allowed registration, as in fact, the subject application should be rejected outright.

The approval of the subject application will enable the Respondent-Applicant to unfairly profit from the goodwill, fame, and notoriety of Opposer and its trademark KINGTECH, to the damage and prejudice of the Opposer herein. The Civil Code of the Philippines identified goodwill of a business as property (Article 521 Civil Code). And the protection of goodwill involving intellectual property is enshrined in Section 168.1 of the IP Code x x x

In the instant case, continuous use, promotions and advertising done by Opposer which highlighted its KINGTECH trademark, are amply shown by the following facts: (1) KINGTECH is legitimately sold by Opposer, it has the necessary permit and/or license to do so and (2) KINGTECH is sold nation-wide.

Trademark dilution is defined in the case of Levi Strauss & Co. & Levi Strauss (Phils.), Inc. vs. Clinton Apparelle, Inc., 470 SCRA 236, and it pertains to the lessening capacity of a mark to identify goods it is used on, because another mark has copied it, regardless of whether there is competition of goods between the contending marks, or likelihood of confusion between the two x x x

As such, Respondent-Applicant's KINGTECH aims to whittle away Opposer's hold of KINGTECH by adopting the very distinctive trademark. Even if Respondent-Applicant's mark is to be used for another set of items, the principle of Trademark dilution precisely applies regardless of whether there is competition of goods between contending marks, or likelihood of confusion between the two, as held in the Levi's case."

To support its Opposition, the Opposer submitted as evidence the following:

1. Certified True Copy of the Certificate of Incorporation of KAKENG INTERNATIONAL TRADING INC. issued by the Philippine Securities and Exchange Commission;
2. Certified True Copy of the Articles of Incorporation of KAKENG INTERNATIONAL TRADING INC.;
3. Certified True Copy of the By Laws of KAKENG INTERNATIONAL TRADING INC.;
4. Print out of the information on the Opposer's Trademark KINGTECH with serial no 42007006128;
5. Print out of the information on the Opposer's Trademark KINGTECH with serial no 42008000357;
6. Print out of the information on the Opposer's Trademark KINGTECH with serial no 42013740063;
7. Print out of the information on the Opposer's Trademark KINGTECH with serial no 42013001963; and
8. Print out of the information on the Opposer's Trademark KINGTECH with serial no 42013001964.
9. Print out of Pictures of the products of the company using the trademark KINGTECH.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 14 January 2014. However, the Respondent-Applicant did not file an Answer to the Opposition. In view thereof, an Order dated 12 May 2014 was issued declaring the Respondent-Applicant in default. Consequently, this case was submitted for decision.

The issue to be resolved in the instant case is whether the Respondent-Applicant's trademark "KINGTECH" should be allowed for registration.

A perusal of the opposing trademarks as depicted below, will show that the marks are essentially the same:

**KINGTECH**

Opposer

**KingTech**

Respondent-Applicant

Both parties use the word "KINGTECH" as their trademark. Except for the difference in the font type and style as shown above, there is no substantial variance in the appearance of the trademarks. Clearly, the two marks are virtually identical to each other. Also, this Bureau finds that the goods subject of the two marks are closely related goods. Electric/electronic products are usually found or sold through the same

trade channels or stores. It is not unusual to find electronic devices like portable telephones, battery chargers, galvanic cells, headphones, radio telephony sets, telephone apparatus, video telephones, and walkie-talkie of the Respondent-Applicant displayed side by side with the electric fans and ventilation products of the Opposer. Moreover, because the marks are practically identical, consumers would think that these goods all came from one source, manufacturer or originator.

Thus from the above findings, there is a need to determine who among the contending parties own the subject mark.

Records show that, as early as 13 June 2007, the Opposer already filed an application for the trademark "KINGTECH" on goods falling under Class 11 and in fact successfully registered the said mark under the name of the Opposer on 30 March 2009. On 10 January 2008, Opposer also applied for the trademark KINGTECH for other goods falling under Classes 3, 9, 16, 18 and 25. While the registration was removed from the registry and the subsequent application was declared abandoned, fact remains that as early as 2009 the mark KINGTECH is *prima facie* owned by the Opposer. Moreover, Opposer has also shown that its been using the mark on its goods. On the other hand, Respondent-Applicant failed to give any evidence that will show that the applicant is the originator of the identical mark or anything that will negate the evidence submitted by the Opposer.

The Supreme Court thus held that, "a trademark, being a special property, is afforded protection by law. But for one to enjoy this legal protection, ownership of the trademark should rightly be established."<sup>4</sup> Corollarily, only the true owner of a trademark should be allowed to apply for its registration.

Succinctly, it is not the application or the registration that confers ownership of a mark but it is the ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators that the law be used in committing or perpetrating an unjust and unfair claim. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership.

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 Respondent-Applicant 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>5</sup> In this case, the Respondent-Applicant failed to prove his ownership of the same distinct mark originated from the Opposer. Hence, Respondent-Applicant's application for registration of the trademark "KINGTECH" must fail.

**WHEREFORE**, premises considered, the instant opposition to Trademark Application Serial No. 42012006840 is hereby **SUSTAINED**. Let the filewrapper of

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<sup>4</sup> *Berris Agricultural Co. Inc. vs. Norvy Abyadang G.R. 183404, 13 October 2010*

<sup>5</sup> *American Wire & Cable Company vs. Dir. Of Patent , G.R. No. L-26557, February 18, 1970.*

Trademark Application Serial No. 42012006840 be returned together with a copy of this DECISION to the Bureau of Trademarks (BOT) for appropriate action.

**SO ORDERED.**

Taguig City, 30 JUN 2016

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