

KABUSHIKI KAISHA SAGINOMIYA SEISAKUSHO, }
Petitioner, }

-versus-

JAMES SANTARITA, }
Respondent-Registrant. }

X-----X

IPC No. 14-2011-00130
Petition for Cancellation

Reg. No. 4-2008-013782
Date Issued: 24 September 2008

TM: SAGINOMIYA

NOTICE OF DECISION


SALUDO FERNANDEZ AQUINO & TALEON
Counsel for Petitioner
5858 Alfonso corner Fermina Streets,
Poblacion, Makati City

JAMES SANTARITA
Respondent-Registrant
627 Guerrero Street,
Mandaluyong City

GREETINGS:

Please be informed that Decision No. 2016 - 397 dated 03 November 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, 03 November 2016.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs

KABUSHIKI KAISHA SAGINOMIYA,	} IPC NO. 14-2011-00130
Petitioner,	} Cancellation of :
	}
-versus-	} Registration No. 4-2008-013782
	} Date of Registration: 24 September 2009
	} Trademark: SAGINOMIYA
JAMES SANTARITA,	}
Respondent-Registrant.	}
	}
x-----x	} Decision No. 2016- <u>397</u>

DECISION

KABUSHIKI KAISHA SAGINOMIYA (Petitioner)¹ filed a Petition for Cancellation of Registration No. 4-2008-013782. The registration, in the name of JAMES SANTARITA (Respondent-Registrant)², covers the mark “SAGINOMIYA”, for use on “expansion valve, (automotive and refrigeration)” under Class 11 of the International Classification of Goods³.

The Petitioner invokes Section 151.1, par. (b), of Rep. Act. No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”) as ground for its petition, alleging that the registration was obtained through fraud.

Petitioner alleges the following facts:

“5. Petitioner is the true owner of the mark SAGInoMIYA having adopted, used, popularized the same in different countries.

“6. Likewise, Petitioner has filed with this Honorable Intellectual Property Office, application for registration of the mark SAGInoMIYA, corresponding to Appln. No. 4-2010-008460 filed on August 3, 2010, and now pending therein. xxx

“7. Likewise, Petitioner has sought registration of the mark SAGInoMIYA in different countries such as Japan, Argentina, Germany, France, Brazil, Mexico and Australia. xxx

“8. Petitioner first used the mark SAGInoMIYA on February 13, 1986 for goods such as valves and in the Philippines in 2000.

¹ A corporation duly organized and existing under the laws of Japan with address at 55-5, Wakamiya, 2-chome, Nakano-ku, Tokyo, Japan

² Filipino with address at 627 Guerrero Street, Mandaluyong City

³ 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.

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"9. Since 1986, SAGInoMIYA products have been continuously manufactured and with a worldwide market. To name a few, Petitioner has sold and marketed its products bearing the mark SAGInoMIYA in countries such as Japan, China, Hong kong, Korea, Malaysia, Pakistan, Singapore, Thailand, U.S.A., Canada, Mexico, Brazil, Chile, Peru, Poland, Iran, Kuwait, Saudi Arabia, United Arab Emirates, Egypt, South Africa.

"10. The total worldwide exports from Japan for SAGInoMIYA products from the period 2000 to 2009 is valued at US\$1,149,811,000.00. In the Philippines, sales have reached a total amount of US\$2,678,000.00 as of the present. xxx

"12. Petitioner has since first use, spent a large amount of money for the promotion of the mark including advertising or publicity, presentation at fairs or exhibitions of its goods bearing the said mark. xxx

"13. Petitioner's mark has, through time, acquired in the minds of the purchasing public, a good reputation and high quality image.

"14. Respondent-Registrant adoption of Petitioner's SAGInoMIYA on goods similar to those of Petitioner indicates an intent to capitalize on the goodwill and popularity of Petitioner's goods bearing said trademark for Respondent-Registrant's own benefit.

"15. Respondent-Registrant's SAGInoMIYA is clearly identical in sound, meaning and appearance to Petitioner's mark SAGInoMIYA, owned and earlier adopted by Petitioner and will definitely deceive the public into believing that the Respondent-Registrant's mark is associated with those of Petitioner. Xxx

"16. Petitioner's interest will be damaged if Respondent-Registrant's registration will be sustained by this Honorable Office. The conflicting marks are visually and aurally identical, the likelihood of the consuming public drawing an unwarranted assumption of association between the parties is inevitable. To uphold the registration of the Respondent-Registrant would thus allow it to benefit from the goodwill and reputation established by the Petitioner through the latter's ownership and prior use of its trademark. Inversely, any negative reputation the Respondent-Registrant might procure for its mark would also damage Petitioner's goodwill due to the mistaken relation or alliance that the identical marks would infer. xxx

"20. For its part, Petitioner submits that the original of its 'SAGInoMIYA' mark is the Japanese original place name (toponym) in which the head office of the client (KABUSHIKI KAISHA SAGINOMIYA SEISAKUSHO) is located. In Japanese, 'sagi ()' means 'heron (bird)', 'no ()' is a particle showing possession in Japanese

grammar, and 'miya ()' means 'Shinto Shrine'. It is said that a shrine was built in that place in 1064, and many herons lived there, and that is why that place is called 'aginomiya'. It is obvious that the Filipino is unable to think of original Japanese place name.

"21. KABUSHIKI KAISHA SAGINOMIYA SEISAKUSHO was founded on May 5, 1940, and has been using the corporate name 'KABUSHIKI KAISHA SAGINOMIYA SEISAKUSHO' since 1984. The logo mark SAGInoMIYA is a symbol of the client's name, and has been using for a long time, building goodwill and acquiring the respect of its respective field along with the consuming public. The registered trademark owned by James Santarita is obviously plagiarism of the Petitioner's original mark.

To support its petition, the Petitioner submitted as evidence the following:

1. Affidavit of Soichiro Tomioka dated 15 March 2011;
2. Copies of certificates of trademark of the mark "SAGInoMIYA" issued in other countries;
3. List of trademarks;
4. List of promotional expenses;
5. Copies of promotional materials;
6. Label specimen of "SAGInoMIYA";
7. Representative sales invoices;
8. Print-out from IPO website showing trademark applications for other marks filed by Respondent-Registrant;
9. Certificate of Non-Filing of Declaration of Actual Use⁴

This Bureau served upon the Respondent-Registrant a "Notice to Answer" on 15 June 2011. The Respondent-Registrant, however did not file an Answer.

Should the Respondent-Registrant's trademark registration SAGINOMIYA be cancelled?

Section 151 of the IP Code provides:

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 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 obtained fraudulently, or contrary to the provisions of this Act, or if the registered mark is used by, or with the

⁴ Exhibits "C" to "S" inclusive of submarkings

permission of the registrant so as to misrepresent the source of the goods or services or in connection with which the mark is used.

The competing marks, depicted below, are identical:

SAGInoMIYA

SAGInoMIYA

Petitioner's mark

Respondent-Registrant's mark

The marks are identical in its literal component, font and style. Visually and aurally they are the same giving the impression that goods bearing the marks are affiliated or originate from one and the same owner, especially that they are applied on goods under class 11. Applied on same class of goods or products, the likelihood that the buying public would be confused on the origin and sponsorship of the goods is likely.

The Petitioner asserts that the registration was obtained fraudulently. To prove Respondent-Registrant's penchant for copying other marks, Petitioner submitted copies of Respondent-Registrant's trademark applications of the marks "SANDEN"⁵ and "SHOWA"⁶ and corresponding Japanese registrations for these marks. For its part, the Petitioner explained the origin of the mark "SAGINOMIYA" which is concocted from the Japanese terms "SAGI", meaning "Heron bird"; "NO" a possessive particle in Japanese grammar; and "MIYA" which means "Shinto Shrine". The Respondent-Registrant did not bother to explain how he came up with the mark. The Petitioner also submitted a copy of its own trademark application for the mark SAGINOMIYA under Application No. 4-2010-008460. Further, it submitted foreign registrations of the mark SAGINOMIYA⁷ which ante-date the registration of Respondent-Registrant in the Philippines.

In this regard, This Bureau emphasizes that it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. The Philippines implemented the World Trade Organization Agreement "TRIPS Agreement" when the IP Code took into force and effect on 1 January 1998.⁸

The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

⁵ Exhibit "P"

⁶ Exhibit "Q"

⁷ Exhibit "C" with submarkings

⁸ See Sec. 2: Trademarks, Art. 15 (Protectable Subject Matter)

Significantly, Sec. 121.1 of the IP Code adopted the definition of the mark under the old law on Trademarks (Rep. Act. No. 166), to wit:

121.1 "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)

Sec. 122 of the IP Code also states:

Sec.122. How Marks Are acquired.- The rights in a mark shall be acquired through registration made validly in accordance with the provision of this law.

There is nothing in Sec.122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in the mark shall be acquired through registration, which must be made validly in accordance with the provision of the law.

Corollarily, Sec. 138 of the IP Code states:

A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.


Aptly, even if a mark is already registered, the registration may still be cancelled pursuant to Sec. 151 of the IP Code.

In the instant case, the Petitioner submitted on 30 April 2013, a Certification from the Bureau of Trademarks dated 23 April 2013, stating that the subject Certificate of Registration No. 4-2008-013782 in the name of James G. Santarita has been CANCELLED as of 11 November 2011 for non-filing of the required Declaration of Actual Use. Thus, there being no registration to cancel, there is no more reason or basis to proceed with the case, the issues in the instant petition have been rendered MOOT AND ACADEMIC.

WHEREFORE, premises considered, the instant Petition for Cancellation of Trademark Registration No. 4-2008-013782 is hereby **GRANTED**. Let the filewrapper of the subject trademark registration be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, **03 NOV 2016**


Atty. **ADORACION U. ZARE, LL.M.**
Adjudication Officer
Bureau of Legal Affairs