

KOLIN ELECTRONIC CO., INC.,
Opposer,

-versus-

KOLIN PHILIPPINES INTERNATIONAL, Inc.,
Respondent- Applicant.

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}
} IPC No. 14-2009-00028
} Opposition to:
} Application No. 4-2007-001560
} Date Filed: 15 February 2007
} Trademark: "KOLIN"

NOTICE OF DECISION

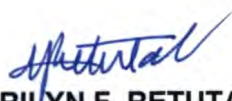
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GREETINGS:

Please be informed that Decision No. 2016 - 378 dated October 13, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 13, 2016.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

Kolin Electronic Co., Inc.,
Opposer,

IPC NO. 14 – 2009 - 00028

- versus -

Opposition to:

Appln Serial No. 42007001560
Date filed: 15 February 2007
TM: "KOLIN"

Kolin Philippines International,
Inc.,

Respondent-Applicant.

DECISION NO. 2016 - 378

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DECISION

KOLIN ELECTRONICS CO., INC (Opposer)¹, filed an Opposition to Trademark Application No. 4-2007-001560 on 23 January 2009. The application filed by KOLIN PHILIPPINES INTERNATIONAL, INC. (Respondent-Applicant)², covers the mark "KOLIN" for "home appliances namely: air conditioners, refrigerators, dehumidifier and electric fans" under Class 11 of the International Classification of Goods.³

The Opposer's based its opposition on the following grounds:

- 1.) The Honorable Office and the Court of Appeals have already determined that Opposer is the true owner of the mark "KOLIN". Such determination has been final and executory as no appeal was pursued with the Supreme Court.
- 2.) The registration of the Mark "KOLIN" in the name of respondent-applicant will violate the property right of Opposer as the owner of the trade name "KOLIN."
- 3.) The Registration of the mark "KOLIN" in the name of Respondent-Applicant will violate Opposer's right as owner of the registered mark "KOLIN."
- 4.) The continued use by Respondent-Applicant of the mark "KOLIN" has already been causing confusion among the public.

¹ A corporation organized under the laws of Philippines with business address at 2788 Anacleto Extension, Tondo Metro Manila.

² A corporation organized and existing under the laws of Philippines with address at First Cavite Industrial Estate, Brgy. Lankaan, Dasmariñas, Cavite.

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.

This Bureau issued a Notice to Answer and received by the Respondent-Applicant on 26 February 2009. On 27 May 2009, Respondent-Applicant filed its Answer denying the material allegations in the Opposition. Respondent-Applicant further alleged the following as its special and affirmative defenses:

- 1.) Opposer's right over the mark "KOLIN" is limited as decreed by the Court of Appeals in CA-G.R. SP No. 80641. Such determination is also final and executory as no appeal, or motion for reconsideration was pursued by the Opposer in relation thereto.
- 2.) The mark "KOLIN" was also adjudged to third parties, such as Taiwan Kolin (and affiliated with the respondent-applicant), in other goods classification.
- 3.) The registration of the mark "KOLIN" in the name of Respondent-Applicant is for a different class (11) and goods.
- 4.) Respondent-Applicant has a property right over the KOLIN-branded goods, i.e., air-conditioner, refrigerator, dehumidifier and electric fan, in the subject application.
- 5.) There is no conclusive proof of confusion, or likelihood of confusion, on the part of the public or consumers arising from Respondent-Applicant's adoption and use of the mark "KOLIN" in a different Class 11.

On 22 June 2009, the Opposer filed a Reply dated 8 June 2009, which refuted the allegations in the Respondent-Applicant's Answer and further averred that:

- 1.) The Court of Appeals did not limit Opposer's Right to the Mark KOLIN to those goods specified only in the certificate of registration No. 4-1993-84797.
- 2.) The Opposer KOLIN Mark need not be declared Well-Known to Oppose Respondent-Applicant's mark in Class 11.
- 3.) Respondent-Applicant has no property right over Kolin-branded goods in Class 11.
- 4.) The proofs are conclusive that the continued use by Respondent-Applicant of the Mark "KOLIN" has been causing confusion among the public.

To support the Opposition, the Opposer submitted the following:

1. Exhibit "A" – Opposer's Article of Incorporation;
2. Exhibit "B" – Certified True Copy of Certificate of Registration for Trademark Registration No. 4-1993-087497;
3. Exhibit "C" – Certified True Copy of Trademark Application Form for Trademark Application No. 4-2007-005421;
4. Exhibit "D" – Certified True Copy of Service Mark Application Form for Trademark Application No. 20-2007-000008;

5. Exhibit "E" - Certified True Copy of Service Mark Application Form for Trademark Application No. 20-2007-000009;
6. Exhibit "F" - Certified True Copy of BLA Decision 2002-46 for the Trademark "Kolin";
7. Exhibit "G" - Certified True Copy of ODG Decision dated 6 November 2003 on the case entitled Taiwan Kolin Co. Ltd vs. Kolin Electronics Co. Inc.;
8. Exhibit "H" - Certified Xerox Copy of the Court of Appeals in case CA-G.R. SP No. 80641, Taiwan Kolin Co. Ltd. vs. Kolin Electronics Co. Inc.;
9. Exhibit "I" - Certified Photocopy of Entry of Judgment;
10. Exhibit "J" - Print out of Trademark Electronic Gazette for Serial / Application 42007001560;
11. Exhibit "K" - Certified True Copy of BLA Order 2008-1806 dated 12 November 2008;
12. Exhibit "L" - Certified True Copy of BLA Order 2008-1930 dated 27 November 2008;
13. Exhibit "M" - Certified Copy of the Amended Articles of Incorporation of KOLIN PHILIPPINES INT'L., INC.;
14. Exhibit "M-1" - Certified Copy of General Information Sheet of KOLIN PHILIPPINES INTERNATIONAL, INC.;
15. Exhibit "N" - Certified True Copy of Decision No. 2007-83 dated 29 June 2007;
16. Exhibit "O" - Certified True Copy of Order No. 2008-108 (D) dated 16 July 2008;
17. Exhibit "P" - Certified True Copy of Order No. 2008-109 (D) dated 16 July 2008;
18. Exhibit "Q" - Copy of Deed of Assignment of Asset;
19. Exhibit "R" - Affidavit of Ms. Julie Tan Co;
20. Exhibit "R-1" to "R-6" - Copy of the Email queries and complaints attached in the Affidavit;
21. Exhibit "R-7" - Copy of Kolin Electronics disclaimer in the Philippine Daily Inquirer;
22. Exhibit "R-8" - Copy of Arrival Notice; and
23. Exhibit "S" - Secretary Certificate appointing Ms. Julie Tan Co as Attorney-in-fact.

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

1. Exhibit "1" - Certified True Copy of Decision No. 2007-26 dated 28 February 2007;
2. Exhibit "2" - Certified True Copy of Decision No. 2007 -120 dated 30 August 2007;
3. Exhibit "2-A" - Certified True Copy of Entry of Judgment / Execution of Decision dated 3 December 2007;
4. Exhibit "3" - Certified True Copy of the Certificate of Registration;
5. Exhibit "4" - Certified Copy of Secretary Certificate of Taiwan

- Kolin Co. Ltd. authorizing Kolin Philippines International, Inc. to use and register "KOLIN";
6. Exhibit "5-A" - Certified Copy of Kolin Philippines International Inc Advertisements in the Philippine Daily Inquirer dated 16 October 1996;
 7. Exhibit "5-A-1" – Affidavit of Publication dated 12 November 2004;
 8. Exhibit "5-B" - Certified Copy of Kolin Philippines International Inc Advertisements in The Philippine Star dated 25 May 1998;
 9. Exhibit "5-B-1" – Affidavit of Publication dated 17 November 2004;
 10. Exhibit "5-C" - Certified Copy of Kolin Philippines International Inc Advertisements in The Philippine Star dated 25 May 2001;
 11. Exhibit "5-C-1" – Affidavit of Publication dated 23 November 2004;
 12. Exhibit "5-D" - Certified Copy of Kolin Philippines International Inc. Advertisements in The Philippine Star dated 8 June 2001;
 13. Exhibit "5-D-1" – Affidavit of Publication dated 17 November 2004;
 14. Exhibit "5-E" - Certified Copy of Kolin Philippines International Inc Advertisements in the Manila Bulletin dated 18 June 2001;
 15. Exhibit "5-E-1" – Affidavit of Publication dated 10 November 2004;
 16. Exhibit "5-F" - Certified Copy of Kolin Philippines International Inc. Advertisements in The Philippine Star dated 25 June 2001;
 17. Exhibit "5-F-1" – Affidavit of Publication dated 23 November 2004;
 18. Exhibit "5-G" - Certified Copy of Kolin Philippines International Inc. Advertisements in the The Philippine Star dated 31 October 2001;
 19. Exhibit "5-G-1" – Affidavit of Publication dated 23 November 2004;
 20. Exhibit "5-H" - Certified Copy of Kolin Philippines International Inc. Advertisements in the Manila Bulletin dated 25 January 2002;
 21. Exhibit "5-H-1" – Affidavit of Publication dated 18 November 2004;
 22. Exhibit "5-I" - Certified Copy of Kolin Philippines International Inc Advertisements in the Manila Bulletin dated 30 March 2002;
 23. Exhibit "5-I-1" – Affidavit of Publication dated 18 November 2004;
 24. Exhibit "5-J" - Certified Copy of Kolin Philippines International Inc. Advertisements in the Manila Bulletin dated 27 April 2002;

25. Exhibit "5-J-1" – Affidavit of Publication dated 18 November 2004;
26. Exhibit "5-K" - Affidavit of Publication dated 10 November 2004;
27. Exhibit "5-K-1" – Certified Copy of Kolin Philippines International Inc Advertisements in the Manila Bulletin Inquirer dated 10 November 2004;
28. Exhibit "5-L" – Certified Copy of Kolin Philippines International Inc Advertisements in the Manila Bulletin dated 13 December 2002;
29. Exhibit "5-L-1" – Affidavit of Publication dated 10 November 2004;
30. Exhibit "5-M" - Certified Copy of Kolin Philippines International Inc Advertisements in the Manila Bulletin dated 21 December 2002;
31. Exhibit "5-M-1" – Affidavit of Publication dated 10 November 2004;
32. Exhibit "5-N" - Certified Copy of Kolin Philippines International Inc. Advertisements in the Manila Bulletin dated 25 December 2002;
33. Exhibit "5-N-1" – Affidavit of Publication dated 10 November 2004;
34. Exhibit "5-O" - Certified Copy of Kolin Philippines International Inc. Advertisements in The Philippine Star dated 9 April 2003;
35. Exhibit "5-O-1" – Affidavit of Publication dated 23 November 2004;
36. Exhibit "5-P", "5-P-1" to "5-P-6" – Certified Copy of the promotions of Respondent Applicant;
37. Exhibit "5-Q" – Copy of the Authenticated Certificate of Registration of Kolin in Taiwan;
38. Exhibit "5-R" – Copy of the Authenticated Certificate of Trademark Registration in the Republic of China;
39. Exhibit "5-S" – Copy of Dealer / Customer Directory as of May 2004;
40. Exhibit "5-T" – Copy of the Authenticated Trademark Registration Certificate from China Council for the Promotion of International Trade (CCPIT) China Chamber of International Commerce on trademark with Register No. 561082;
41. Exhibit "5-U" – Copy of the Authenticated Trademark Registration Certificate from China Council for the Promotion of International Trade (CCPIT) China Chamber of International Commerce on trademark with Register No. 614786;
42. Exhibit "6" – Affidavit of Mr. Rizaldy Pineda;
43. Exhibit "6-A" – Sales summary per product line from 1997 to 2003;
44. Exhibit "6-B" – Sales summary per product line from 2004 to 2008;

45. Exhibit "7" – Certification that the documents are copies from the original filed on records in IPC No. 14-2008-00293 for the mark www.kolinphil.com.ph;
46. Exhibit "7-A" – Copy of the Affidavit of Mr. Wilhelm Albaladejo dated 11 March 2009;
47. Exhibit "7-B" – Copy of the Arrival Notice of Airconditioners dated 20 December 2007;
48. Exhibit "7 C" – Copy of the Arrival Notice of Colored Television dated 31 July 2006;
49. Exhibit "7-C-1" – Copy of the Arrival Notice of Color TV dated 14 August 2006;
50. Exhibit "7-C-2" – Copy of the Arrival Notice of Color TV dated 22 August 2006;
51. Exhibit "7-C-3" – Copy of the Arrival Notice of Colored Television dated 12 September 2006;
52. Exhibit "7-C-4" – Copy of the Arrival Notice of Colored Television dated 18 September 2006;
53. Exhibit "7-C-5" – Copy of the Arrival Notice of Colored Television dated 18 September 2006;
54. Exhibit "7-C-6" – Copy of the Arrival Notice of SKD Parts dated 3 February 2007;
55. Exhibit "7-C-7" – Copy of the Arrival Notice of Colored Television dated 29 January 2007;
56. Exhibit "7-C-8" – Copy of the Arrival Notice of Color TV dated 11 February 2007;
57. Exhibit "7-C-9" – Copy of the Arrival Notice of Colored Television dated 11 February 2007;
58. Exhibit "7-D" – Copy of the Arrival Notice of Home Theater dated 20 March 2008; and
59. Exhibit "8" – Certified Copy of the Authenticated of the Corporate Changed Register Card of Taiwan Kolin Co., Ltd

After the termination of the Preliminary Conference on 7 July 2009, the parties submitted their respective Position Papers. Consequently, this case was submitted for decision.

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

Section 123.1 of the Intellectual Property Code, specifically provides 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 with respect to the same goods or services or closely related goods or services, or if it is nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Applicant filed its trademark application, the Opposer has a trademark registration for the wordmark KOLIN with serial no. 4-1993-087497 covering automatic voltage regulator, converter, recharger, stereo booster, AC-DC regulated power supply, step-down transformer, PA amplified AC-DC all under Class 9⁴.

The competing marks of the parties are depicted below:

KOLIN

Opposer's Trademark

kolin

Respondent-Applicant's
Trademark

The marks are practically identical. The word "KOLIN" although in different font size and style remains to be the most prominent feature of both marks. The Supreme Court has held that the mere fact that one person has adopted and used a particular trademark does not prevent the adoption and use of the same trademark by others on articles of a different description.⁵ Thus, there is a necessity to determine whether the goods subject of the competing trademarks are similar or closely related goods.

On this score, the recent decision of the Supreme Court on a related case between Taiwan Kolin Corporation, Ltd and herein Opposer,⁶ involving the wordmark KOLIN, is instructive:

a. The products covered by petitioner's application and respondent's registration are unrelated

A certificate of trademark registration confers upon the trademark owner the exclusive right to sue those who have adopted a similar mark not only in connection with the goods or services specified in the certificate, but also with those that are related thereto.

In resolving one of the pivotal issues in this case—whether or not the products of the parties involved are related—the doctrine in *Mighty Corporation* is authoritative. There, the Court held that the goods should be tested against several factors before arriving at a sound conclusion on the question of relatedness. Among these are:

- (a) the business (and its location) to which the goods belong;
- (b) the class of product to which the goods belong;

⁴ Nice Classification of Goods and Services

⁵ McDonald's Corporation v. L.C. Big Mak Burger, Inc., G.R. No. 143993, 18 August 2004

⁶ Taiwan Kolin Corporation, Ltd vs. Kolin Electronic Co. Inc., G.R. 209843, 25 March 2015

- (c) the product's quality, quantity, or size, including the nature of the package, wrapper or container;
- (d) the nature and cost of the articles;
- (e) the descriptive properties, physical attributes or essential characteristics with reference to their form, composition, texture or quality;
- (f) the purpose of the goods;
- (g) whether the article is bought for immediate consumption, that is, day-to-day household items;
- (h) the fields of manufacture;
- (i) the conditions under which the article is usually purchased; and
- (j) the channels of trade through which the goods flow, how they are distributed, marketed, displayed and sold.

As mentioned, the classification of the products under the NCL is merely part and parcel of the factors to be considered in ascertaining whether the goods are related. It is not sufficient to state that the goods involved herein are electronic products under Class 9 in order to establish relatedness between the goods, for this only accounts for one of many considerations enumerated in *Mighty Corporation*. In this case, credence is accorded to petitioner's assertions that:

- a. Taiwan Kolin's goods are classified as home appliances as opposed to Kolin Electronics' goods which are power supply and audio equipment accessories;
- b. Taiwan Kolin's television sets and DVD players perform distinct function and purpose from Kolin Electronics' power supply and audio equipment; and
- c. Taiwan Kolin sells and distributes its various home appliance products on wholesale and to accredited dealers, whereas Kolin Electronics' goods are sold and flow through electrical and hardware stores.

Clearly then, it was erroneous for respondent to assume over the CA to conclude that all electronic products are related and that the coverage of one electronic product necessarily precludes the registration of a similar mark over another. In this digital age wherein electronic products have not only diversified by leaps and bounds, and are geared towards interoperability, it is difficult to assert readily, as respondent simplistically did, that all devices that require plugging into sockets are necessarily related goods.

It bears to stress at this point that the list of products included in Class 9 can be sub-categorized into five (5) classifications, namely: (1) apparatus and instruments for scientific or research purposes, (2) information technology and audiovisual equipment, (3) apparatus and devices for controlling the distribution and use of electricity, (4) optical apparatus and instruments, and (5) safety equipment. From this sub-classification, it becomes apparent that petitioner's products, *i.e.*, televisions and DVD players, belong to audiovisual equipment, while that of respondent, consisting of automatic voltage regulator, converter, recharger, stereo booster, AC-DC regulated power supply, step-down transformer, and PA

amplified AC-DC, generally fall under devices for controlling the distribution and use of electricity.

The Supreme Court in the said case further clarified as follows:

**The ordinarily intelligent buyer
is not likely to be confused**

x x x

It cannot be stressed enough that the products involved in the case at bar are, generally speaking, various kinds of electronic products. These are not ordinary consumable household items, like catsup, soy sauce or soap which are of minimal cost. The products of the contending parties are relatively luxury items not easily considered affordable. Accordingly, the casual buyer is predisposed to be more cautious and discriminating in and would prefer to mull over his purchase. Confusion and deception, then, is less likely. As further elucidated in *Del Monte Corporation v. Court of Appeals*:

x x x Among these, what essentially determines the attitudes of the purchaser, specifically his inclination to be cautious, is the cost of the goods. To be sure, a person who buys a box of candies will not exercise as much care as one who buys an expensive watch. As a general rule, an ordinary buyer does not exercise as much prudence in buying an article for which he pays a few centavos as he does in purchasing a more valuable thing. Expensive and valuable items are normally bought only after deliberate, comparative and analytical investigation. But mass products, low priced articles in wide use, and matters of everyday purchase requiring frequent replacement are bought by the casual consumer without great care x x x.

Respondent has made much reliance on *Arce & Sons, Chua Che, Ang, and Khe*, oblivious that they involved common household items—*i.e.*, biscuits and milk, cosmetics, clothes, and toilet articles, respectively—whereas the extant case involves luxury items not regularly and inexpensively purchased by the consuming public. In accord with common empirical experience, the useful lives of televisions and DVD players last for about five (5) years, minimum, making replacement purchases very infrequent. The same goes true with converters and regulators that are seldom replaced despite the acquisition of new equipment to be plugged onto it. In addition, the amount the buyer would be parting with cannot be deemed minimal considering that the price of televisions or DVD players can exceed today's monthly minimum wage. In light of these circumstances, it is then expected that the ordinary intelligent buyer would be more discerning when it comes to deciding which electronic product they are going to purchase, and it is this standard which this Court applies here in determining the likelihood of confusion should petitioner's application be granted.

To be sure, the extant case is reminiscent of *Emerald Garment Manufacturing Corporation v. Court of Appeals*, wherein the opposing trademarks are that of Emerald Garment

Manufacturing Corporation's "Stylistic Mr. Lee" and H.D. Lee's "LEE." In the said case, the appellate court affirmed the decision of the Director of Patents denying Emerald Garment's application for registration due to confusing similarity with H.D. Lee's trademark. This Court, however, was of a different beat and ruled that there is no confusing similarity between the marks, given that the products covered by the trademark, *i.e.*, jeans, were, at that time, considered pricey, typically purchased by intelligent buyers familiar with the products and are more circumspect, and, therefore, would not easily be deceived. As held:

Finally, in line with the foregoing discussions, more credit should be given to the "ordinary purchaser." Cast in this particular controversy, the ordinary purchaser is not the "completely unwary consumer" but is the "ordinarily intelligent buyer" considering the type of product involved.

The definition laid down in *Dy Buncio v. Tan Tiao Bok* is better suited to the present case. There, the "ordinary purchaser" was defined as one "accustomed to buy, and therefore to some extent familiar with, the goods in question. The test of fraudulent simulation is to be found in the likelihood of the deception of some persons in some measure acquainted with an established design and desirous of purchasing the commodity with which that design has been associated. The test is not found in the deception, or the possibility of deception, of the person who knows nothing about the design which has been counterfeited, and who must be indifferent between that and the other. The simulation, in order to be objectionable, must be such as appears likely to mislead the ordinary intelligent buyer who has a need to supply and is familiar with the article that he seeks to purchase."⁷

Consistent with the above ruling, this Court finds that the differences between the two marks, subtle as they may be, are sufficient to prevent any confusion that may ensue should petitioner's trademark application be granted.

This Bureau finds no reason to deviate from the above pronouncements of the Supreme Court. The goods subject of the instant application for registration of Respondent-Applicant were also home electronics and appliances which were held by the Supreme Court in the aforementioned case⁸ as not similar nor related to the Opposer's products composed of devices for controlling the distribution and use of electricity.

WHEREFORE, premises considered the instant Opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2007-001560 be returned, together with a copy of this


⁷ *ibid*

⁸ *ibid*

Decision, to the Bureau of Trademark for information and appropriate action.

SO ORDERED.

Taguig City, 13 OCT 2016


Leonardo Oliver Limbo
Adjudication Officer
Bureau of Legal Affairs