

KENSONIC, INC.,
Opposer,

-versus-

VERONICA TENG,
Respondent- Applicant.

x-----x

IPC No. 14-2011-00066
Opposition to:
Appln. Serial No. 4-2010-003138
Date Filed: 23 March 2010
TM: "SAKURA & DEVICE"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2016 - 410 dated November 16, 2016 (copy enclosed) was promulgated in the above entitled case.

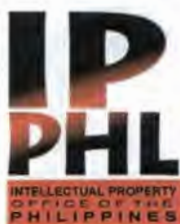
Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, November 16, 2016.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

**Republic of the Philippines
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IPC No. 14-2011-00066
Opposition to:

Appln. No. 4-2010-003138
Date Filed: 23 March 2010
Trademark: "**SAKURA & DEVICE**"

Decision No. 2016 - 410

DECISION

KENSONIC, INC. ("Opposer")¹, filed a verified opposition to Trademark Application Serial No. 4-2010-003138. The application, filed by VERONICA TENG ("Respondent-Applicant")², covers the mark "SAKURA & DEVICE" for use on goods under class 08³ namely: *"hacksaw frame, carbon steel blade (handsaw), hand riveter, kitchen scissor, plier, glass cutter, pipe wrench, adjustable wrench, hammer, shovel, spray gun, screw driver, jack, sharpening stone, sharpening wheel."*

The Opposer alleges the following:

"3. Opposer is engaged in the business of dealing with, and distributing all kinds of electronic goods and wares, including, among others, speakers, amplifiers, audio/video products, DVD and VCD players, equalizers, mixers, tape decks, tuners, video disc recorders, and other electronic goods, devices, equipment, and accessories belonging to Class 9 of the revised Nice International Classification of Goods and Services.

3.1. Early on in the conduct of its business, herein Opposer started commercially using the mark 'SAKURA' in the Philippines to designate and identify its Class 9 goods. Opposer's use of the mark 'SAKURA' dates as far back to October 1994.

3.2. Since 1994 to the present, Opposer has built and established long and exclusive relationships with dealers and distributors all over the country, for the sale and distribution of its 'SAKURA' products.

3.3. By virtue of Opposer's continuous and extensive use of the mark 'SAKURA' in the Philippines in connection with its electronic products, the mark has become popular and well-known with the purchasing public. In fact, said mark has come to be associated with herein Opposer, such that Opposer is now generally identified as the owner and source of goods bearing the 'SAKURA' mark.

"4. The Honorable Office has already ruled that Respondent-Applicant is not entitled to the use of the 'SAKURA' marks. Prior to the instant case, Opposer had already filed a Petition for Cancellation of Respondent-Applicant's Certificate of Registration No. 4-2006-001055 issued on

¹ A corporation existing under and by virtue of the laws of the Philippines, with office address at Lot 3, T.S. Sarino Subdivision, Real Street, Pulang Lupa, Las Pinas City.

² With registered address at Unit A-4 No. 23 Sta. Rosa St., Quezon City.

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.

02 April 2007 for the mark 'SAKURA & DEVICE' for use on goods under Class 6 (namely, metal halides); Class 9 (namely, industrial lighting, magnetic ballast, starters); and Class 11 (namely, incandescent bulb, halogens, metal halides, mercury lamps, energy saving lamps, fluorescent lamps, lamps fixtures, table lamps, fluorescent casing open type, fluorescent casing box type, electrical water heater, u type, emergency lights, compact fluorescent, food lights, circular lamp socket, fluorescent lampholder with starter holder).

"4.1. Unfortunately for herein Respondent-Applicant, the then Director of the Bureau of Legal Affairs (the 'BLA'), Director Estrellita Beltran-Abelardo, promulgated Decision No. 2008-152 (dated 21 August 2008), ordering the cancellation of Respondent-Applicant's Certificate of Registration no. 4-2006-001055 for the mark 'SAKURA & Device'. x x x

"4.2. Respondent-Applicant filed a Motion for Reconsideration of Decision No. 2008-152 on September 2008, to which Opposer filed its Opposition on 17 October 2008. Subsequent thereto, on 13 July 2009, Opposer filed a Motion to Resolve respondent-Applicant's Motion for Reconsideration. This Honorable Office, however, has yet to resolve said motions.

"5. Despite the issuance of said Decision No. 2008-152, which disallowed Respondent-Applicant's right to use the disputed mark on Class 6, 9 and 11 goods, herein Respondent still filed the Opposed Application on 23 March 2010, for the registration of the mark 'SAKURA & Device', for goods falling under Class 8 (hacksaw frame, carbon steel blade (handsaw), hand riveter, kitchen scissor, plier, glass cutter, pipe wrench, adjustable wrench, hammer, shovel, spray gun, screw driver, jack, sharpening stone and sharpening wheel) of the Nice International Classification of Goods and Services."

The Opposer's evidence consists of the following:

1. Secretary's Certificate;
2. Certification by IPO of Decision dated 21 August 2008
3. BLA Decision dated 21 August 2008 in IPC No. 14-2007-00177;
4. Computer print-out of Veronica Teng's Application No. 4-2009-002608;
5. Certification by IPO of Decision dated 29 November 2005;
6. BLA Decision dated 29 November 2005 in IPC no. 14-2004-00160;
7. Certification of Entry of Judgment/Execution dated 09 August 2006;
8. Entry of Judgment/Execution of Decision in IPC No. 14-2004-00160;
9. Certification by IPO of Decision dated 07 August 2008;
10. BLA Decision dated 07 August 2008 in IPC No. 14-2006-00183;
11. Certification by IPO of Decision dated 21 August 2008;
12. BLA Decision dated 11 August 2008 in IPC No. 14-2006-00139;
13. Certification by IPO of Decision dated 24 October 2008;
14. BLA Decision dated 24 October 2008 in IPC No. 14-2006-00126;
15. Certification by IPO of Application No. 4-2001-005131;
16. Opposer's Application No. 4-2001-005131;
17. Certification by IPO of Application No. 4-2007-011902;
18. Opposer's Application No. 4-2007-011902;
19. Certification by IPO of Declaration of Actual Use (DAU);
20. DAU dated 22 October 2002;
21. Affidavit of Ownership by Nenita K. Tsang;
22. Certification by Notary Public of Certificate of Registration;
23. DTI Certificate of Registration of Audio Crown Enterprise;
24. Certification by IPO of Sales Invoice No. 7643;

25. Sales Invoice No. 7643;
26. Certification by IPO of various Bills of Lading and other documents;
27. Various Bills of Lading and other documents;
28. Articles of Incorporation of Kensonic Inc.;
29. Affidavit by Proprietor of Master Fix Gen. Merchandising;
30. Affidavits executed by various proprietors of business entities;
31. News articles and Certifications of advertising of Kensonic Inc.;
32. Curriculum Vitae of Magdalena G. Uy;
33. Certification by IPO and certified true copies of various Sales Invoices;
34. Affidavit by Tsang Wing Kuen;
35. Memoranda of Agreement, its translation and Certification of accuracy;
36. Original Bill of Lading No. HKMN/CFS-1022;
37. Original Packing List No. 93CMA067-P;
38. SGS Advance Clearance Report;
39. Original Certificate of Origin;
40. Certification of originals;
41. Copies of various letters and communications;
42. Copy certification issued by a Notary Public;
43. Sakura Products; and,
44. Sakura New Generation DVD Flyer.

On 08 June 2011, Respondent-Applicant filed its Answer containing among others the following Affirmative and/or Special Defenses:

"5.1. The decisions marked by opposer as Exhibit 'B-1' is immaterial and irrelevant as the mark subject thereof is for use on goods falling under Classes 06, 09, and 11, whereas, the mark subject of the opposed application is for use on goods falling under Class 08. In addition, Exhibit 'B-1' is still under reconsideration.

"5.2 The decisions marked by opposer as Exhibits 'C-1'; 'E-1'; 'F-1'; and 'G-1' are neither binding on respondent, nor do they constitute a bar to the approval of her opposed application as she is not a party to the inter partes cases where said decisions were promulgated.

x x x

"5.3. Likewise, the aforesaid decision cited by opposer are not even persuasive insofar as respondent's opposed application is concerned since the goods subject of respondent's Application SN 4-2010-003138 are not the same, nor closely related to the goods specified in the registration certificates or applications involved in the aforementioned inter partes cases where the cited decisions were promulgated. None of the registrations and applications involved in the aforementioned inter partes cases refer to hacksaw frame, carbon steel blade (handsaw), hand riveter, kitchen scissor, plier, glass cutter, pipe wrench, adjustable wrench, hammer, shovel, spray gun, screw driver, jack, sharpening stone and sharpening wheel falling under Class 08.

"5.4. Except for Exhibit 'C-1', none of the decisions cited by opposer has become final and executory.

"5.5. The goods covered by respondent's application, namely, hacksaw frame, carbon steel blade (handsaw), hand riveter, kitchen scissor, plier, glass cutter, pipe wrench, adjustable wrench, hammer, shovel, spray gun, screw driver, jack, sharpening stone and sharpening wheel falling under Class 08, are neither the same, nor closely related to, or even competitive with the goods specified in opposer's applications.



x x x

"5.6. Decision No. 2008-152 promulgated in IPC No. 14-2007-00177 is clearly contrary to the provisions of the IP Code and the evidence adduced in said case. Said decision has not become final but is still under reconsideration.

"5.7. None of the opposer's Exhibits 'M-1', 'N-1' to 'N-24'; 'P' to 'P-5'; 'Q-1' to 'Q-5'; 'S-1' to 'S-16'; 'T-1' to 'T-4'; 'V-1'; 'W-1'; 'X-1'; 'Y-1' to 'Y-5'; 'Z-1' to 'Z-20'; 'AA-1' to 'AA-10'; 'BB-1' to 'BB-8'; 'CC-1' to 'CC-3'; and 'DD-1' refer to the goods covered by respondent's opposed application; hence they are immaterial and irrelevant insofar as the approval or respondent's application is concerned.

"5.8. That to date, opposer has no existing registration for the trademarks 'SAKURA' and/or 'SAKURA and DEVICE'.

"5.9. That opposer has no monopoly nor exclusive right to register and use the trademarks 'SAKURA' and/or 'SAKURA & DEVICE' for all kinds and classes of goods.

5.9.1. The mark/word 'SAKURA' or variants thereof was not coined nor invented by opposer but is a common word found in most dictionaries meaning 'Cherry Blossom.'

5.9.2. 'SAKURA' is a very weak mark. In fact, the records of this Office show that the word 'SAKURA' and variant thereof had been applied for and registered by other persons and entities even long before opposer claimed it had used it for electronic and audio equipment falling under Class 9.

5.9.3. Opposer does not deal with any of the goods covered by respondent's Application SN 4-2010-003138. Hence, there is no likelihood of confusion of goods or businesses between the parties.

5.9.4. Respondent's Application SN 4-2009-001856 can not be considered confusingly similar to opposer's Applications SN 4-2001-005131 and SN 4-2007-011902.

5.9.5. Respondent's mark 'SAKURA & DEVICE' for use on hacksaw frame, carbon steel blade (handsaw), hand riveter, kitchen scissor, plier, glass cutter, pipe wrench, adjustable wrench, hammer, shovel, spray gun, screw driver, jack, sharpening stone and sharpening wheel falling under Class 08 is not proscribed by Section 123.1 (d) of the IP Code and is clearly registrable in her favor."

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

1. Certified copy of Respondent's Application SN 4-2010-003138 for SAKURA & DEVICE under Class 08;
2. Certified copy of Registrability Report dated 29 June 2010;
3. Certified copy of Response to Registrability Report dated 19 July 2010;
4. Certified copy of Decision No. 09-143 promulgated in IPC No. 14-2008-00029;
5. Certified copy of Respondent's Certificate of Registration No. 4-2006-001056;
6. Certified copy of Respondent's Certificate of Registration No. 4-2007-001854;
7. Certified copy of the Notice of Allowance of Application SN 4-2010-003138;
8. Print-out of E-Gazette showing publication of Application SN 4-2010-003138;
9. Copy of Motion for Reconsideration in IPC No. 14-2007-00177;
10. Print-out of Office's Trademark Search; and,
11. Duly notarized Affidavit of Veronica Teng.

In this connection, Position Papers were submitted by the Opposer and the Respondent-Applicant on 16 December 2012 and 14 December 2012, respectively. This case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark SAKURA & DEVICE?

In the Decision dated 11 June 2012, the Office of the Director General in Inter Partes Case (IPC) No. 14-2006-00139⁴ has found herein Opposer to be the prior user of the trademark SAKURA on goods falling under Class 9, which in that instant case, are related to the goods covered by the opposing party. It was also declared that in so far as the goods enumerated under Classes 7 and 11 of the certificate of registration for SAKURA, the presumption of validity of the same is upheld in favor of the Respondent-Appellant⁵ in the said case.⁶

This instant case involves the following marks for comparison:

SAKURA

Opposer's Trademark



Respondent-Applicant's Trademark

The contending marks contain the identical word SAKURA. The Respondent-Applicant's mark further contains a device of a Five-Leaf Flower which emanates from a Circular Center with bold letters below forming the word SAKURA⁷. However, the goods or products covered by each mark are different from each other. The Opposer's mark is under Class 09 and the Respondent-Applicant's mark is being used on goods under Class 08.

In one case, the Supreme Court ruled that:

"The trademark 'CANON' as used by Petitioner for its paints, chemical products toner and dyestuff,⁸ can be used by private respondent for its sandals⁹ because the products of these two parties are dissimilar."¹⁰

Further, the Supreme Court sustained the Director of Patents which allowed the junior user to use the Trademark of the senior user on the ground that the briefs manufactured by the junior user, the product for which the Trademark 'BRUTE' was sought to be registered, was unrelated and non-competing

⁴ Uni-Line Multi Resources, Inc. (Phils.), Respondent-Appellant v. Kensonic, Inc., Petitioner-Appellee, Appeal No. 14-2010-0011, Petition for Cancellation of Trademark Registration No. 4-2002-004572 for "SAKURA".

⁵ Uni-Line Multi Resources, Inc. Phils.

⁶ Id.

⁷ Filewrapper records.

⁸ Class 2.

⁹ Class 25.

¹⁰ Canon Kabushiki Kaisha v. Court of Appeals and NSR Rubber Corporation, G.R. No. 120900 promulgated 20 July 2000.



with the products of the senior user consisting of after shave lotion, shaving cream, deodorant, talcum powder, and toilet soap.¹¹

In another case, the Supreme Court ruled that:

"The Petroleum Products on which the petitioner therein uses the Trademark ESSO, and the product of Respondent, Cigarettes are so foreign to each other as to make it unlikely that purchasers would think that petitioner is the manufacturer of Respondent's goods."¹²

Again, this Bureau takes judicial notice of the Decision of the Office of the Director General in Appeal No. 14-2010-0011¹³, whereby the rights of herein Opposer KENSONIC, INC. was sustained in so far as goods falling under Class 9 and declaring the latter as prior user thereof. On the other hand, the rights of herein Opposer was denied in so far as goods falling under Classes 7 and 11 are concerned. Thus, the cancellation of Certificate of Registration No. 4-2002-004572. Pertinent portion of the said Decision is hereby adopted, as it provides:

"Nonetheless, there is merit to the Appellant's contention that its goods in Classes 7 and 11 are different from those of the Appellee. The Appellant's goods in Class 7 are washing machines, high pressure washers, vacuum cleaners, floor polishers, blender, electric mixer, electric juicer while those falling under Class 11 are refrigerator, air conditioners, oven toaster, turbo broiler, rice cooker, microwave oven, coffee maker, sandwich/waffle maker, electric stove, electric fan, hot and cold water dispenser, air pot, electric griller and electric hot pot.

These goods are obviously different from the Appellee's goods that includes amplifiers, DVD player, VCD player, tape dock, tuner, equalizer, mixer, digital voice recorder, video disc recorder. In this regard, the Appellee should have adduced evidence to show that it will be damaged by the continued registration of SAKURA in favor of the Appellant for goods falling under Classes 7 and 11.

The Appellee, however, failed to convince this Office that the Appellee would be damaged by the Appellant's registration of SAKURA for goods falling under Classes 7 and 11. Not only are the Appellant's goods under these classes different from the Appellee's goods. They also serve different purposes, are non-competitive, and are so unrelated that purchasers would not in any probability mistake one as the source or origin of the product of the other.

In addition, the ordinary purchaser must be thought of, as having, and credited with, at least a modicum of intelligence. It does not defy common sense to assert that a purchaser would be cognizant of the product he is buying. 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."

In this instant case, it is apparent that the goods covered by Respondent-Applicant's applied mark under Class 08 are obviously different from the Opposer's goods under Class 09 that includes amplifiers, DVD player, VCD player, tape dock, tuner, equalizer, mixer, digital voice recorder, video disc recorder. The Opposer likewise failed to adduce evidence to show that it will be damaged by the continued registration of SAKURA in favor of herein Respondent-Applicant falling under Class 08. The goods covered by the competing trademarks are obviously covered in a different class or classification of goods.

¹¹ Faberge, Incorporated v. Intermediate Appellate Court, 215 SCRA 326 (1992).

¹² ESSO Standard Eastern, Inc. v. Court of Appeals, 116 SCRA 336.

¹³ Dated 11 June 2012, Uni-Line Multi Resources, Inc. (Phils.), Respondent-Appellant v. Kensonic, Inc., Petitioner-Appellee, Petition for Cancellation of Trademark Registration No. 4-2002-004572 for "SAKURA".

Thus, they serve different purpose for separate cluster of consumers, who belong to the discerning age bracket of the buying public.

In fact, it appears that the Opposer has no registrations and/or applications involving the class of goods of the subject application consisting of hacksaw frame, carbon steel blade (handsaw), hand riveter, kitchen scissor, plier, glass cutter, pipe wrench, adjustable wrench, hammer, shovel, spray gun, screw driver, jack, sharpening stone, sharpening wheel under Class 08.¹⁴ Therefore, the Opposer cannot employ monopoly nor exclusive right to register and use the trademarks SAKURA and/or SAKURA & DEVICE for all kinds and classes of goods.

Thus, 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;

Accordingly, this Bureau concludes that the competing marks are not confusingly similar, hence the Respondent-Applicant's trademark application is not proscribed by Sec. 123.1(d) of R.A. 8293, also known as the Intellectual Property Code of the Philippines.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2010-003138, together with a copy of this DECISION, be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City. **16 NOV 2016**



Atty. GINALYN S. BADIOLA, LL.M.
Adjudication Officer, Bureau of Legal Affairs

¹⁴ IPPhil Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 15 November 2016).