



INTELLECTUAL PROPERTY
OFFICE OF THE
PHILIPPINES

RL-13

19

13

JTEKT CORPORATION,
Opposer,

-versus-

LIEZL DIANA YEUNG,
Respondent-Applicant.

}
}
}
}
}
}
}

IPC No. 14-2012-00348
Opposition to:
Appln. Serial No. 4-2012-002316
Date Filed: 24 February 2012

TM: KOYOLB

X-----X

NOTICE OF DECISION

JDF LAW

Counsel for Opposer
1502 One Global Place, 5th Avenue corner
25th Street, Bonifacio Global City, Taguig

PALARAN AND PARTNERS LAW OFFICE

Counsel for Respondent- Applicant
Suite 601-A State Centre Building
333 J. Luna Street, Binondo, Manila

6 - JH [Signature] 1-12-2017

GREETINGS:

Please be informed that Decision No. 2016 - 513 dated 23 December 2016 (copy enclosed) was promulgated in the above entitled case.

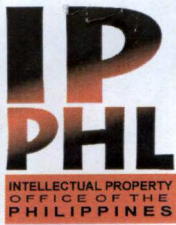
Pursuant to Section 2, Rule 9 of the IPOPPL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 06 January 2017.

MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio,
Taguig City 1634 Philippines • www.ipophil.gov.ph
T: +632-2386300 • F: +632-5539480 • mail@ipophil.gov.ph



JTEKT CORPORATION,
Opposer,

-versus-

LIEZL DIANA YEUNG,
Respondent-Applicant.

X-----X

}	IPC No. 14-2012-00348
}	Opposition to:
}	Appln. Serial No. 4-2012-002316
}	Date Filed: 24 February 2012
}	
}	TM: KOYOLB

NOTICE OF DECISION

CRUZ MARCELO & TENEFRANCIA
Counsel for Opposer
9th, 10th, 11th & 12th Floors, One Orion
11th Avenue corner University Parkway
Bonifacio Global City 1634
Taguig City 1634






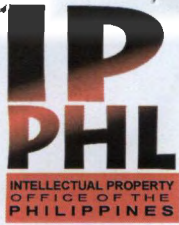
GREETINGS:

Please be informed that Decision No. 2016 - 513 dated 23 December 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 the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 12 January 2017.


MARILYN F. RETUAL
 IPRS IV
 Bureau of Legal Affairs



JTEKT CORPORATION,

Opposer,

-versus-

LIEZL DIANA YEUNG,

Respondent-Applicant.

IPC No. 14-2012-00348

Opposition to:

Application No. 4-2012-002316

Date Filed: 24 February 2012

Trademark: "KOYOLB"

Decision No. 2016-513

DECISION

JTEKT CORPORATION¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-002316. The application, filed by Liezl Diana Yeung² ("Respondent-Applicant"), covers the mark "KOYOLB" for use on "bearing, center bearing, center link, clutch disc, clutch master assembly, clutch operating assembly, coil spring, fan belt, oil seal, shaft kit" under Class 07, "pressure plate" under Class 09, "radiator cap" under Class 11 and "ball joint, bell crank, brake booster, brake drum, brake hose, brake hub, brake master assembly, brake shoe, brake valve, caliper piston, clutch booster, cross joint, cv joint, disc pad, disc plate, drag link, engine support, hub bearing, hub bolt, idler arm, lateral link, leaf spring, pitman arm, power steering hose, rack end, shock absorber, side rod, spring, stabilizer link, steering cross joint, suspension arm, the rod end, torsion bar, wheel cylinder assembly, wheel hub" under Class 12 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

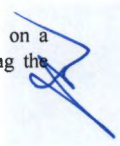
"7. JTEKT has a Philippine affiliate, KOYO Manufacturing (Philippines) Corporation ('KOYO Philippines'), part of the JTEKT International Network, registered with the Philippine Economic Zone Authority (PEZA), located at x x x

"8. JTEKT is the owner of the 'KOYO' mark covered by three (3) registrations issued by the Intellectual Property Office of the Philippines: 'KOYO' covered by Registration No. 035292 filed on 8 February 2006 and [first] registered on 13 February 1986, Registration No. 41997123401 filed on 8 August 1997 and registered on 5 September 2002; and, Registration No. 41997119082 filed on 21 March 1997 and registered on 13 November 2003. x x x

¹A corporation organized and existing under the laws of Japan with principal office address at 5-8, Minamisemba 3-Chome, Chuo-Ku, Osaka-shi, Osaka, Japan.

²With address on record at 120 Don Manuel Agregado St., Quezon City.

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



"9. Respondent-Applicant, LIEZL DIANA YEUNG, is a natural person who is a Filipino citizen x x x

"10. On 24 February 2012, Respondent-Applicant filed its Trademark Application No. 42012002316 for the mark 'KOYOLB' for goods under classes 07, 09, 11 and 12.

"11. The 'KOYOLB' mark of Respondent-Applicant is identical and confusingly similar to the mark 'KOYO' and its variants, owned by JTEKT, for which Opposer and its goods and services are internationally well-known.

"A representation of the Respondent-Applicant's mark is herein replicated for easy reference:

x x x

"12. Opposer's mark 'KOYO' and Applicant-Respondent's 'KOYOLB' mark have the following similar components:

x x x

"13. The registration of the mark 'KOYOLB' in the name of the Respondent-Applicant will violate and contravene the provisions of Section 123.1 (d), (e), and (g) of the IP Code, as amended, which provides, viz:

x x x

"14. The subject mark is identical to and confusingly similar to Opposer's internationally well-known 'KOYO' trademark which is registered in the Japan, the Philippines and elsewhere in the world, used and not abandoned by the Opposer.

"15. The 'KOYOLB' mark, when applied to or used in connection with the services of the Respondent-Applicant, is likely to cause confusion or mistake, or deceive the purchasers thereof not only as to the goods they are purchasing but also as to the origin or sponsorship of said goods.

"16. The registration of the mark 'KOYOLB' in the name of Respondent-Applicant will cause grave and irreparable injury and damage to the Opposer for which reason it opposes said application based on the grounds set forth hereunder:

x x x

"17. JTEKT Corporation, is a functional parts maker possessing a globally unique machine tools business and supplier of all types of steering systems along with driveline components and bearings. JTEKT products support moving, turning, and torque transmission functions in a wide range of product fields. JTEKT Corporation was created on 1 January 2006 from the merger of Koyo Seiko Co., Ltd. and Toyota Machine Works, Ltd.

"18. As of 31 March 2012, JTEKT has 143 subsidiaries and 22 associated companies with a capital of 45,591 million yen and consolidated sales at 1,052,671 million yen. JTEKT has 39,834 employees (consolidated). The JTEKT Group of Companies has offices around the world: Japan, United States of America, Brazil, Argentina, Canada, Panama, Mexico, France, Netherlands, United Kingdom, Germany, Czech Republic, Italy, Belgium, Romania, Sweden, Spain, China, Thailand, Korea, India, Indonesia, Singapore, Australia, Malaysia, Philippines, and United Arab Emirates.

"19. JTEKT's main business activities include the manufacture and sale of steering systems, driveline components, bearings, machine tools, electronic control devices, home accessory equipment, etc.

"20. JTEKT provides bearings that support the movement in all types of machines, from windmill power generators, used to reduce load on the environment, to aerospace equipment, which requires ultra-advanced technology. KOYO is the brand name for JTEKT's bearing and oil seal products. x x x

"21. The English translation/transliteration of the word 'KOYO' is 'light of the sea' or 'light of the ocean.' It is a distinctive term and does not have any direct relation to bearings, center bearings, center links, clutch discs, x x x

"22. JTEKT has spent millions of dollars in advertising and marketing expenses for the promotion of the KOYO products outside Japan. From 2008 to 2010, JTEKT has spent an average of 1.075 hundred million yen (approximately USD1.38 million). Below is a table showing the amount spent for Advertising and Marketing Expenses outside Japan.

x x x

"23. The sales revenues for KOYO Products is, in part, a result of JTEKT's advertising and marketing promotions. Below is a table showing the Sales Figures of KOYO Products from 2008 to 2011 in Japan and worldwide.

x x x

"24. The KOYO brand is sold worldwide through JTEKT's more than 400 distributors. The table below shows the number of distributors for KOYO Products Worldwide.

x x x

"25. The mark 'KOYO' was first registered in Japan on 23 December 1958, Application No. S33-36944, under Classes 6,7,9,11,12,16, 17, 19, 20, and 26. The registration was granted in 4 March 1960 with Registration No. 548996. To date, the Koyo mark is covered by 274 registrations under 35 classes in different jurisdictions. There are likewise 23 pending applications for the 'KOYO' Mark.

x x x

"26. Moreover, as the prior user and owner of a valid Trademark Registration is the Philippines, the 'KOYO' mark is protected under Republic Act 8293 or the Intellectual Property Code of the Philippines. Section 147 thereof provides:

x x x

"27. Below is a table showing JTEKT's trademark registrations in the Philippines:

x x x

"28. JTEKT has spent millions of dollars in advertising and marketing expenses for the promotion of the KOYO products outside Japan. From 2008 to 2010, JTEKT has spent an average of 1.075 hundred million yen (approximately USD1.38 million). Below is a table showing the amount spent for Advertising and Marketing Expenses outside Japan.

x x x

"29. The sales revenues for KOYO Products is, in part, a result of JTEKT's advertising and marketing promotions. Below is a table showing the Sales Figures of KOYO Products from 2008 to 2011 in Japan and worldwide.

x x x

"30. JTEKT maintains a website, <http://www.itek.co.jp>, where information on its company history, profile, products and the JTEKT group of companies can be accessed. x x x

"31. In *Societe Des Produits Nestle, S.A. v. Martin T. Dy* the Supreme Court noted that there are two types of confusion, x x x

"32. Allowing the registration of Respondent-Applicant for the mark 'KOYOLB' would result to a confusion of goods and confusion of business. Needless to say, Opposer's goods bearing the 'KOYO' mark are identical and within the same category of goods as Respondent-Applicant.

"33. Respondent-Applicant seeks the registration of the mark 'KOYOLB' for Classes 07, 09, 11 and 12. Opposer, likewise, has prior, subsisting and valid registrations for the mark 'KOYO' in Classes 07, and 12. The description of this classes are reproduced below:

x x x

"34. Given that the goods covered by the contending marks are identical, there is a likelihood of confusion of goods.

"35. Respondent-Applicant is likewise seeking the registration of the mark 'KOYOLB' for Classes 09 (Pressure Plate) and Class 11 (Radiator Cap). These applications should likewise be denied considering that allowing the registration of 'KOYOLB' for these categories would result to confusion of business. Opposer's main business activities include the manufacture and sale of steering systems. Driveline components, bearings, machine tools, electronic control devices, home accessory equipment etc. It can be reasonably presumed therefore that the public may be deceived into thinking that there is some connection between the products of JTEKT and Respondent-Applicant which does not exist.

"36. The goods covered by the marks 'KOYOLB' and 'KOYO' may be considered as falling under the category machinery or automobile parts. As such, it can be reasonably presumed that the goods are not only the same but are sold in the same channels of trade. That is, it can be reasonably expected that merchants selling the 'KOYO' branded goods may also be found selling 'KOYOLB' merchandise.

"37. The essential element of infringement under the IP Code is that the infringing mark is likely to cause confusion. In determining similarity and likelihood of confusion, jurisprudence has developed tests, 'the dominancy' and the 'holistic' or 'totality test.' The Dominancy Test focuses on the similarity of the prevalent or dominant features of the competing trademarks that might cause confusion, mistake, and deception in the mind of the purchasing public.

"38. The prevalent or dominant feature of Respondent-Applicant's mark is the word 'KOYO.' The presence of the letters 'LB' is not sufficient to distinguish the marks from each other.

"39. Respondent-Applicant's mark 'KOYOLB' and Opposer's 'KOYO' are phonetically similar. When a lateral approximant plus stop follows a vowel, the sequence can usually occur as a coda e.g. 'bulb', 'stilb', or 'alc,; Thus, in 'KOYOLB' what is emphasized, and hence what is dominant, is the word 'KOYO.'

"40. The contending marks are also visually similar. 'KOYO' and 'KOYOLB' are both written in contemporary non-stylized fonts in bold typeface with regular type space in between the characters.

"41. The Court in Societe Des Produits Nestle, S.A. v. Martin T. Dy, Jr. the Court found confusing similarity between Petitioner's mark, 'NAN,' and respondent's 'NANNY,' to wit:

x x x

"42. The goods covered by the two marks are also similar. The application for registration of the 'KOYOLB' mark is for classes 07, 09, 11, and 12, whereas; the 'KOYO' mark is registered under classes 07, 17, and 12. The description for these Classes are reproduced below, viz.:

x x x

"43. The IP Code has adopted the 'Dominancy Test.' Section 155 of R.A. No. 8293 states that:

x x x

"44. The Dominancy Test, as defined by the Supreme Court in Skechers, U.S.A., Inc. v. Inter Pacific Industrial Trading Corp. et. al, states, viz.:

x x x

"45. Applying the 'Dominancy Test,' as defined by the Supreme Court and adopted in the IP Code in Section 155, there is no doubt that the two (2) marks are identical and confusingly similar.

"46. When the two (2) marks are depicted, the two marks, particularly the dominant features thereof, appear fundamentally the same. Below is a side by side comparison of the two marks:

x x x

"47. There is no doubt that the dominant element 'KOYO' depicted in both marks are identical and confusingly similar based on the well-established Dominancy Test.

"48. Under Section 123.1 (e) of the IP Code, it is categorically stated that a mark cannot be registered when it is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, x x x

"49. Implementing Section 123.1 (e) of the IP Code, Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers x x x

"50. JTEKT has registered the 'KOYO' mark in numerous jurisdictions worldwide. x x x

"51. JTEKT has likewise been using the 'KOYO' mark in its various newspaper advertisements. x x x

"52. The sales generated by JTEKT from its KOYO branded products in Japan and worldwide is summarized below:

x x x

"53. As of 31 March 2012, JTEKT has 143 subsidiaries and 22 associated companies. x x x

"54. Attempts by third parties to register 'KOYO' and its variants have been futile. x x x

"55. The extensive list of successful oppositions and trademark registrations of JTEKT for the 'KOYO' mark is proof of the notoriety and well-known-ness of JTEKT's 'KOYO' mark.

"56. Opposer's internationally well-known 'KOYO' mark has long been distinctive of the Opposer and its products and services, through Opposer's long and exclusive use thereof in local and international commerce.

"57. Opposer's trademarks are internationally well-known such that the use by the Respondent-Applicant of the 'KOYOLB' mark on its products on similar or related goods would cause the Opposer to incur monetary losses, and suffer a dilution of its marks.

"58. The IP Code, Section 123.1 (e) and (f) and Rules 102 of the Implementing Rules protects internationally well-known marks by prohibiting the registration of marks which are identical with, confusingly similar to or constitutes a translation of an internationally well-known mark.

"59. As an internationally well-known mark, Opposer's 'KOYOLB' trademark and its variants are furthermore protected under Article 6bis of the Paris Convention, which provides, viz.:

x x x

"60. The Opposer has actively defended its rights over its 'KOYO' mark and has instituted a number of actions worldwide. x x x

"61. JTEKT was likewise successful in opposing attempted registrations for the mark 'KOYOLB' and 'KOYOLB UJ' in China and Taiwan. x x x

"62. To reiterate, Opposer will suffer damage with the registration of the Respondent-Applicant's 'KOYOLB,' considering the fact that JTEKT owns the 'KOYO' mark, registered worldwide. x x x

"63. In IN-N-OUT Burger, Inc. v. Sehwan, Incorporated and/or Benita's Frites, Inc., the Court ruled that, 'Petitioner's marks are internationally well-known, given the world-wide registration of the mark 'IN-N-OUT,' and its numerous advertisements in various publications and in the internet. x x x

"64. The registration of the 'KOYOLB' mark in the name of the Respondent-Applicant will violate the exclusive proprietary rights of the Opposer over its own marks and irreparably injure or damage the interest, business reputation and goodwill of said marks. It is worth reiterating that the 'KOYO' mark has long been identified with the Opposer and its products. x x x

"65. Furthermore, JTEKT's sales of the 'KOYO' branded products will be affected and damaged if Respondent-Applicant's registration for the mark 'KOYOLB' is allowed; by the public being misled into thinking that the products bearing the 'KOYOLB' mark originated from and/or is related to the products sold and manufactured by JTEKT.

"66. Moreover, the registration of the mark 'KOYOLB', which is confusingly similar to Opposer's own 'KOYO' trademark will not only prejudice the Opposer but will also allow the Respondent-Applicant to unfairly benefit from and obtain a 'free ride' on the goodwill of Opposer's well-known marks.

"67. In sum, and in view of the aforementioned, Respondent-Applicant's application to register the mark 'KOYOLB' should be denied.

The Opposer's evidence consists of the Special Power of Attorney showing the authority of JDF Law to verify the instant notice of opposition and execute the required certification of non-forum shopping; the Affidavit-Direct Testimony of Yasunori Sasatani, General Manager of the IP Department of JTEKT Corporation; copies of Philippine Trademark Reg. Nos. 035292, 41997123401 and 41997119082 for the mark KOYO; JTEKT's bearing and oil seal products brochure; schedule of the KOYO trademark registrations and pending applications worldwide; photocopies of representative samples of the certificates of registrations worldwide for the KOYO trademarks; copy of the printouts from JTEKT's website, <http://www.jtek.co.jp>; a table of trademark registrations and pending registrations of the KOYO mark; screenshots of JTEKT advertisements; a table of the actions undertaken by JTEKT for the protection of the KOYO mark; copies of decisions rendered in favour of JTEKT for the protection of the mark KOYO in the United States, Singapore, United Arab Emirates, Pakistan, Indonesia, Malaysia, Nigeria, China and Taiwan; photocopies of the successful judgments rendered in the United States, Singapore, United Arab Emirates, Pakistan, Indonesia, Malaysia and Nigeria; copies and original translations of the China and Taiwan decisions.⁴

⁴Marked as Exhibits "A" to "JJ", inclusive.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 18 October 2012. The Respondent-Applicant filed her Answer on 17 January 2013 and avers the following:

x x x

"3. Through the instant verified answer, the herein respondent-applicant humbly begs to differ and hereby seeks the application of the 'dominancy test' and 'holistic test' as cited by the Supreme Court in several cases for purposes of determining the pivotal issue of whether or not the trademark sought to be registered would cause confusion as alleged in the opposition. Respondent-applicant submits that there is no basis for the claim that 'KOYOLB' is identical or confusingly similar to 'KOYO';

"4. In *Mighty Corporation and La Campana Fabrica de Tabaco, Inc. vs. E & J Gallo Winery and the Andersons Group, Inc.*, G.R. No. 15432, July 14, 2004, the Supreme Court stated:

"5. The Supreme Court in *Emerald Garment Manufacturing Corporation vs. Court of Appeals*, G.R. No. 100098, December 29, 1995, ruled that x x x

"6. In paragraph 46 of the Verified Notice of Opposition, the opposer's mark and the respondent-applicant's mark were placed side by side for purposes of comparison and ostensibly to emphasize opposer's contention that both marks are identical and confusingly similar. On the contrary, taking the applicant's trademark as a whole and placing both marks side by side has clearly established that their differences are evident, noticeable and very substantial. There is clear difference between them in size, font, design, style and use of capital and small letters. Thus, although both marks bear the letters K, O, Y and O forming 'KOYO', no confusion would arise if the marks are taken as a whole and not piecemeal consistent with the holistic test which 'mandates that the entirety of the marks in question must be considered in determining confusing similarity.'

"7. There is no basis to limit the comparison between the two marks to the similar letters or predominant words found in each mark. Other features of the mark should also be taken into consideration to determine if there is possibility of confusion. We submit that there is no confusion between the mark 'KOYO' and 'KOYOLB';

"8. To support the instant application for registration, respondent-applicant further cites the ruling in the aforementioned *Emerald Garment* case which states that -

x x x

"9. Thus, similarity in the instant case, we also make the argument that considering the nature of the goods sold by the herein parties, confusion and deception is very unlikely. The goods sold are machine parts and being parts of a whole, extra caution and diligence are exerted by purchasers of these products thereby negating confusion and deception. The goods involved are subject of extra

scrutiny considering that there are certain specifications to be met before they can be utilized as a part of a machine. x x x

"10. Opposer JTEKT Corporation alleges in paragraphs 19 and 20 of its opposition that -

x x x

"11. Based on the foregoing allegation, it is clear that not only are the goods sold by the opposer and applicant different, they also cater to a different clientele. The goods sold by the respondent-applicant are basically limited to automotive parts while opposer's goods seem to be more varied and highly technical and are used more for highly specialized machines. Clearly, the goods covered by the two marks cannot be considered similar and that no confusion would result;

"12. Furthermore, in the Mighty Corporation vs. E & J Gallo Winery case, the Supreme Court saw the need to reiterate prevailing jurisprudence that a supposed identical mark such as 'KOYO' in applicant's mark of 'KOYOLB' does not necessarily lead to the automatic denial of such registration. Hence -

"13. In conclusion, it is humbly submitted that there is no basis for the opposition of JTEKT corporation to the application for the registration of the mark 'KOYOLB'. The registration of the same is not confusingly similar to opposer's 'KOYO' trademark as discussed above. The public will not be misled as erroneously alleged and that no prejudice, damage or injury will be caused to the herein opposer or to any party for that matter should the application for registration be granted.

The Respondent-Applicant's evidence consists of the Special Power of Attorney appointing PALARAN & PARTNERS LAW OFFICE to be Respondent-Applicant's true and lawful attorney-in-fact in connection with this opposition case entitled "JTEKT Corporation vs. Liezl Diana Yeung, docketed as IPC No. 14-2012-00348".

Should the Respondent-Applicant be allowed to register the trademark KOYOLB?

The Opposer anchors its opposition on Sections 123.1, paragraphs (d), (e) and (g) and Section 147 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.Registrability. - 123.1. A mark cannot be registered if it:

x x x

- (d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of :
- (i) The same goods or services, or
 - (ii) Closely related goods or services, or
 - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;"

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

(g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;

Sec. 147. *Rights Conferred.* - 147.1. The owner of a registered mark 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 or containers 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.

147.2. The exclusive right of the owner of the well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: *Provided*, That use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use.

Records show that at the time the Respondent-Applicant filed its trademark application on 24 February 2012, the Opposer already owns trademark registrations for "KOYO" in different classes. These registrations cover "bearings of all kinds, sewing machines, industrial furnaces, industrial machinery & implements, power machinery & implements, pneumatic & hydraulic machinery & implements, business machines & equipments, heating & cooling apparatus, other machinery & equipment not belonging to any other class, machine elements (excl. mangers, beehives, poultry cages, life preservatives)" under Class 07, "rubber seals, oil seals, mechanical seals, hoses, bellows, lubricated seals with packing, sales for water pumps, packs and packing" under Class 17 and "drive shafts, bearings and joints for land vehicles; steering units; power transmissions for land vehicles and their part/fittings; breaking apparatus; electric motors of power transmissions for land vehicles; parts/fittings of aircraft; parts/fittings of land vehicles, parts/fittings of ships/boats" in Class 12. This Bureau noticed that the goods covered by Respondent-Applicant's trademark application for the mark KOYOLB are similar and/or closely-related to Opposer's.

Hence, the question, does KOYOLB resemble KOYO such that confusion or deception is likely to occur? The marks are shown below:

Koyo

Opposer's trademark

KOYOLB

Respondent-Applicant's mark

Confusion is likely in this instance because of the close resemblance between the marks and that the goods covered by the competing marks are similar or closely-related as they are both bearings, machine tools, accessories, functional parts or can be categorized as machinery or automotive parts. Respondent-Applicant's mark KOYOLB appears and sounds almost the same as Opposer's trademark KOYO. Respondent-Applicant's first four (4) letters "KOYO" is Opposer's trademark "KOYO". Respondent-Applicant merely added the letters "LB" in Opposer's KOYO to come up with the mark KOYOLB. It could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"⁵, "SAPOLIN" and LUSOLIN"⁶, "CELDURA" and "CORDURA"⁷, "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.⁸

It is emphasized that 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.⁹ This Bureau finds that the mark applied for registration by the Respondent-Applicant does not meet this function.

⁵ *MacDonalds Corp, et. al v. L. C. Big Mak Burger* ,G.R. No. L-143993,18 August 2004.

⁶ *Sapolin Co. v. Balmaceda and Germann & Co,m* 67 Phil, 705.

⁷ *Co Tiong SA v. Director of Patents*, G.R. No. L- 5378, 24 May 1954; *Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co.* (1946), 154 F. 2d 146 148.)

⁸ *Marvex Commerical Co., Inc. v.Petra Hawpia & Co., et. al.*, G.R. No. L-19297,22 Dec. 1966.

⁹ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepta v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1(d) (iii) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-002316 is hereby SUSTAINED. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 23 DEC 2016.


Atty. JOSEPHINE C. ALON
Adjudication Officer, Bureau of Legal Affairs