

KENSONIC, INC.,
Opposer,

-versus-

CATHERINE DY,
Respondent- Applicant.

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}	IPC No. 14-2010-00117
}	Opposition to:
}	Appln. No. 4-2009-000017
}	Date Filed: 05 January 2009
}	TM: "SAKURA"
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NOTICE OF DECISION

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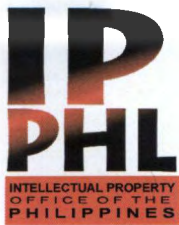
GREETINGS:

Please be informed that Decision No. 2017 - 104 dated April 05, 2017 (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, April 06, 2017.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



KENSONIC, INC.,
Opposer,

- versus -

CATHERINE DY,
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IPC No. 14-2010-00117
Opposition to:

Appln. No. 4-2009-000017
Date Filed: 05 January 2009
Trademark: "SAKURA"

Decision No. 2017 - 104

DECISION

KENSONIC, INC. ("Opposer")¹, filed a verified opposition to Trademark Application Serial No. 4-2009-000017. The application, filed by CATHERINE DY ("Respondent-Applicant")², covers the mark "SAKURA" for use on goods under class 07³ namely: "*rice mill and parts thereof*".

The Opposer alleges that it 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 Nice International Classification of Goods and Services.

From the year 1994 to the present, the Opposer has built and established long and exclusive relationships with dealers and distributors all over the Philippines, for the sale and distribution of its SAKURA products. Thus, the continuous and extensive use of the mark SAKURA in the Philippines in connection with its electronic products made its mark popular and well-known with the purchasing public. Said mark has come to be associated with herein Opposer, such that it is now generally identified as the owner and source of goods bearing the SAKURA mark.

The Opposer cited the following grounds in this instant case: [1] the allowance of the registration of the opposed application will contravene Section 123.1 (d) of the Intellectual Property Code since the subject mark is identical to and/or so confusingly similar to Opposer's SAKURA, and that the competing goods are related to cause confusion; [2] the Opposer was conclusively found as the first user of the SAKURA mark as early as 1994; and, [3] the Opposer extensively promoted the SAKURA mark in the Philippines, thus, has built and maintained a wide network of distributors and sellers of SAKURA goods.

The Opposer submitted the following evidence:

1. Secretary's Certificate in favor of Ms. Nenita K. Tsang;
2. Certification by the Intellectual Property Office of the Philippines (IPOPHl) of a Certified True Copy (CTC) of Decision dated 21 August 2008;

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

² With registered address at 901 EDSA, Philam Homes, 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.

3. Decision dated 21 August 2008 in IPC No. 14-2007-00177 by the Bureau of Legal Affairs (BLA);
4. Certification by the IPOPhl of a CTC of Decision dated 29 November 2005;
5. Decision dated 29 November 2005 in IPC No. 14-2004-00160 by the BLA;
6. Certification by the IPOPhl of a CTC of the Entry of Judgment/Execution of Decision dated 09 August 2006;
7. Entry of Judgment/Execution of Decision in IPC No. 14-2004-00160;
8. Certification by the IPOPhl of a CTC of Decision dated 07 August 2008;
9. Decision dated 07 August 2008 in IPC No. 14-2006-00183 by the BLA;
10. Certification by the IPOPhl of a CTC of Decision dated 21 August 2008;
11. Decision dated 11 August 2008 in IPC No. 14-2006-00139;
12. Certification by the IPOPhl of a CTC of Decision dated 24 October 2008;
13. Decision dated 24 October 2008 in IPC No. 14-2006-00126;
14. Certification by the IPOPhl of a CTC of Application Nos. 4-2001-005131 and 4-2007-0111902 for the registration of the "Sakura" mark;
15. Application Nos. 4-2001-005131 and 4-2007-0111902;
16. Certification by the IPOPhl of a CTC of Declaration of Actual Use;
17. Declaration of Actual Use of the mark "Sakura" from 22 October 1994 dated 22 October 2002;
18. Duly notarized Affidavit of Ownership executed by Nenita K. Tsang;
19. Copy certification issued by Notary Public;
20. DTI Certificate of Registration of "Audio Crown Enterprises" dated 05 July 1991;
21. Certification by the IPOPhl of a CTC of Sales Invoice No. 7643;
22. Sales Invoice No. 7643;
23. Certification by the IPOPhl of various Bills of Lading and Societe Generale de Surveillance Clean Report of Findings;
24. Various Bills of Lading and Societe Generale de Surveillance Clean Report of Findings;
25. Articles of Incorporation of Kensonic, Inc.;
26. CTC of the General Information Sheet by Kensonic, Inc.;
27. Affidavit executed by the Proprietor of Master Fix General Merchandise Lights & Sounds, Solid Electronics, Martcom Cellular & Electronic Center, Unitronic Marketing, Newport Electronic Center, Electrocom Electronics Supply;
28. CTC by the IPOPhl of CTC of various newspaper articles, their respective translations, and certifications annexed thereto;
29. CTC of page B-6 of the 12 August 2008 issue of the Philippine Start as advertisement for SAKURA products;
30. CTC of page 16 (lower right fold) of the 23 August 2008 issue of the Philippine Chinese Daily as advertisement for SAKURA products;
31. CTC of Certification by Ms. Magdalena Uy re: Exhibits "Q-3-b", "Q-4-b", "Q-5-b"; "V-1"; "X-3"
32. CTC of page 16 (lower right fold) of the 23 August 2008 issue of the Philippine Chinese Daily in the English translation;
33. CTC of page 25 (lower right fold) of the 14 August 2008 issue of the World News as advertisement for SAKURA products;
34. CTC of page 9 (lower fold) of the 18 August 2008 issue of the United Daily News as advertisement for SAKURA products;
35. CTC of page 9 (lower fold) of the 18 August 2008 issue of the United Daily News in the English translation;
36. Curriculum Vitae of Ms. Magdalena G. Uy;

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37. Certification by the IPPO of CTCs of Sales Invoices Nos. 6632, 6648, 19392, 4585, 4598, 7002, 8526, 71005, 83362, 97550, 97896, 01027, 00002, 00361, 01138, 16990, 8386, 19436, 19408 and 4554 and the CTCs identified as SAKURA products;
38. Duly notarized affidavit of Tsang Wing, Kuen;
39. Certification issued by the IPPO and the CTCS of Memorandum of Agreement and its English translation between Kensonic, Inc. and Foshan Shaw Audio Electric Co. Ltd.;
40. Certification issued by the IPPO and the CTCS of Memorandum of Agreement and its English translation between Kensonic, Inc. and Xi Hua Audio Equipment Factory;
41. Certification issued by the IPPO and the CTCS of Memorandum of Agreement and its English translation between Kensonic, Inc. and Fine Star Acoustic Installations Factory Ltd.;
42. Certification issue by the IPPO of the various importation documents are true copies of the originals;
43. Bill of Lading No. HKMN/CFS-1022, Packaging List No. 93CMSO67-O, SGS Advance Clearance Report Nos. CHN046681 and CHN043106;
44. Original Certificate of Origin dated 17 October 1994;
45. Certification by the IPPO of the CTCs of letter and communications;
46. Copies of various letters and communications between Kensonic, Inc and Waterwell Trading Co. of Hongkong;
47. Copy certifications issued by a Notary Public re: CTC of brochures;
48. Sakura products as shown in Sakura the Future of Entertainment Manual, including Vol. 3; and,
49. SAKURA New Generation DVD Flyer.

On 29 July 2010, Respondent-Applicant filed her Answer. The Affirmative and/or Special Defenses state that she is engaged in the business of importing and distributing machines, motors and engines and parts thereof falling under Class 07. She is not and has not engaged in the business of importing and distributing electronic, audio and visual equipment falling under Class 09. Respondent-Applicant alleges that she filed in good faith the subject mark SAKURA for use on rice mill and parts thereof falling under Class 07.

According to the Respondent-Applicant, the decisions cited by the Opposer are neither binding on her, nor do they constitute a bar to the approval of the subject application as she is neither a party to, nor directly or indirectly connected with or related to the parties in the inter partes cases where said decisions were promulgated.

Likewise, the decisions cited by the Opposer are not even persuasive insofar as Respondent-Applicant's application is concerned since the goods subject of the application are not the same, nor closely related to the goods specified in the certificates or applications involved in the aforementioned inter partes cases. In fact, none of which refer to rice mill and parts thereof falling under Class 07.

Respondent-Applicant further avers that Opposer has no existing registration for the trademark SAKURA. It has no monopoly nor exclusive right to register and use SAKURA for all kinds and classes of goods. Moreover, the wordmark SAKURA was not coined or invented by Opposer. It is a common word which means "Cherry Blossom". Thus, SAKURA is a very weak mark. The records of this Office show that the word SAKURA and its variants had been applied for and registered by other persons and entities even before Opposer's claim. Therefore, there is no confusing similarity between competing marks, proscribed in Section 123.1 (d) of the Intellectual Property Code.

The Respondent-Applicant submitted the following evidence:

1. Duplicate original of Application SN 4-2009-000017 for the registration of the trademark "SAKURA";
2. Duplicate original of Registrability Report dated 12 February 2009;
3. Duplicate original of Respondent-Applicant's Response dated 17 February 2009;
4. Duplicate original of the Notice of Allowance dated 22 January 2010;
5. Print-out of Respondent-Applicant's trademark "SAKURA" published in the e-Gazette dated 08 February 2010;
6. Print-out of Office's Trademark Search; and,
7. Duly notarized affidavit of Catherine Sales Dy.

The Preliminary Conference was held and terminated on 22 September 2010. Thereafter, the parties submitted their respective Position Papers. Hence, this case is deemed submitted for decision.

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

A careful perusal of the records show that at the time Respondent-Applicant filed her application for registration of the trademark "SAKURA" on 05 January 2009⁴, herein Opposer already has prior application filed for the trademark "SAKURA" on 18 June 2001 covering class 09 goods⁵. To date, this application is still pending registration before the Bureau of Trademarks.⁶

In this instant case, the competing marks consist of the identical word SAKURA. As to the goods covered by the marks, the Opposer's goods consist of amplifiers, dvd and vcd players, tape deck, tuner and equalizer, mixer, digital voice recorder and video disc recorder. On the other hand, Respondent-Applicant's goods include rice mill and parts thereof. Obviously, the goods or products covered by the trademarks 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 07.

In a comparable case, the Supreme Court ruled that:

"The trademark 'CANON' as used by Petitioner for its paints, chemical products toner and dyestuff,⁷ can be used by private respondent for its sandals⁸ because the products of these two parties are dissimilar."⁹

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 with the products of the senior user consisting of after shave lotion, shaving cream, deodorant, talcum powder, and toilet soap.¹⁰

⁴ Filewrapper records.

⁵ IPPHl Philippine Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 04 April 2017).

⁶ Id.

⁷ Class 2.

⁸ Class 25.

⁹ Canon Kabushiki Kaisha v. Court of Appeals and NSR Rubber Corporation, G.R. No. 120900 promulgated 20 July 2000.

¹⁰ Faberge, Incorporated v. Intermediate Appellate Court, 215 SCRA 326 (1992).

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."¹¹

In this connection, this Bureau takes judicial notice of the Decision of the Office of the Director General in Appeal No. 14-2010-0011¹², whereby the rights of herein Opposer Kensonic, Inc. was sustained only 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 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."

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 because the goods involved are totally different, evidently dissimilar in classification and use, and unrelated or non-competing in nature. Therefore, 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.

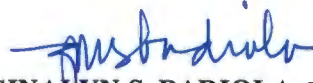
¹¹ ESSO Standard Eastern, Inc. v. Court of Appeals, 116 SCRA 336.

¹² 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".

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2009-000017, together with a copy of this **DECISION**, be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City. **05 APR 2017**



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