

NISSAN JIDOSHA KABUSHIKI KAISHA (ALSO TRADING AS NISSAN MOTOR CO. LTD.),
Opposer,

-versus-

LIEZL DIANA YEUNG,
Respondent-Applicant.

X-----X

IPC No. 14-2014-00284

Opposition to:
Appln. Serial No. 4-2013-013954
Date Filed: 22 November 2013

TM: NISTO

NOTICE OF DECISION

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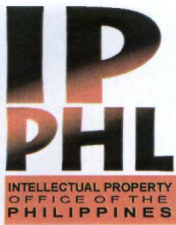
GREETINGS:

Please be informed that Decision No. 2017 - 198 dated 06 June 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, 07 June 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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DECISION

NISSAN JIDOSHA KABUSHIKI KAISHA (also trading as NISSAN MOTOR CO., LTD. ("Opposer")¹, filed an opposition to Trademark Application Serial No. 4-2013-013954. The application filed by LIEZL DIANA YEUNG ("Respondent-Applicant")² covers the mark "NISTO" for use on "*rubber and metal parts for automotive suspension, engine and under chassis spare parts*" under Class 12 of the International Classification of Goods.³

The Opposer alleges the following grounds:

"A. OPPOSER IS THE PRIOR ADOPTER, USER AND TRUE OWNER OF THE WELL-KNOWN TRADEMARK 'NISMO' AND ITS VARIANTS, IN THE PHILIPPINES AND ELSEWHERE IN THE WORLD.

"B. RESPONDENT-APPLICANT'S MARK 'NISTO' IS CONFUSINGLY SIMILAR TO OPPOSER'S INTERNATIONALLY WELL-KNOWN 'NISMO' TRADEMARK AND ITS VARIANTS.

C. THE REGISTRATION OF THE RESPONDENT-APPLICANT'S MARK 'NISTO' SHOULD NOT BE ALLOWED BECAUSE IT IS CONFUSINGLY SIMILAR TO OPPOSER 'NISMO' TRADEMARK AND ITS VARIANTS, WHICH IS REGISTERED IN THE PHILIPPINES.

¹ A corporation organized and existing under the laws of Japan with principal address at No. 2 Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa-ken, Japan.
² A Filipino citizen with address at 120 Don Manuel Agregado St., Quezon City
³The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

D. OPPOSER'S 'NISMO' TRADEMARK AND ITS VARIANTS IS INTERNATIONALLY WELL-KNOWN.

E. BEING INTERNATIONALLY WELL-KNOWN, OPPOSER'S 'NISMO' TRADEMARK AND ITS VARIANTS ARE ENTITLED TO PROTECTION AGAINST CONFUSING SIMILAR MARKS."

Opposer's evidence consists of the following:

1. Legalized Certificate and Special Power of Attorney;
2. Certified copy of the English translation of Transcript of Register of NISSAN MOTOR CO., LTD.;
3. Legalized and authenticated Affidavit- Direct Testimony of Toshiyuki Yariwake;
4. List of applications and registrations for the mark NISMO;
5. Copies of certificates of registration for the mark NISMO issued in various countries;
6. Printouts from and screen captures of Opposer's website and relevant pages for its motorsports division;
7. Printouts from and screen captures of the websites <http://www.nissan.ph/>; <http://www.nissanusa.com>; <http://www.nismo.co.jp/en/index.html>;
8. Screen captures of Opposer's online store;
9. Screen captures of Twitter, Facebook and YouTube showing NISMO mark;
10. Copies of publications showing NISMO products;
11. Affidavit Direct-Testimony of Atty. Chrissie Anne Barredo;
12. Printout of details of NISMO registration from IPOPHL trademark database;
13. Printout from Wikipedia about NISMO;
14. Printouts from OHIM TM View; and
15. Printouts from various websites featuring NISMO products and activities.

This Bureau issued on 06 August 2014 a Notice to Answer and personally served a copy thereof to the Respondent-Applicant's address on 12 August 2014. After three Motions for Extension of Time, Respondent-Applicant filed the Answer on 10 November 2014. In the Answer, Respondent-Applicant argues that NISTO is not confusingly similar to Opposer's NISMO mark. According to Respondent-Applicant, when the marks are placed side by side their differences are evident, noticeable and substantial. NISTO mark is depicted by a wrench and bolt which do not appear in NISMO and that NISTO is written in white letters with red background while NISMO is written in black. Respondent-Applicant further posits that she never intended to imitate the mark NISMO because it will disadvantageous to her business as it will limit her market to Nissan cars.



To support her claim, Respondent-Applicant submitted the Affidavit of Ms. Liezl Diana Yeung.

Pursuant to Office Order No. 154, s. 2010, the case was referred to the Alternative Dispute Resolution ("ADR") for mediation on 12 November 2014. However, the parties refused to mediate. On 27 April 2015, the Preliminary Conference was terminated and the parties were directed to file position papers. On 12 May 2015, the parties filed their respective Position Papers. Hence, this case is now ripe for resolution.

Should the Respondent-Applicant's mark NISTO be allowed registration?

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.⁴

Section 123.1 (d) and (f) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (IP Code) provides , to wit:

Section 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;

x x x

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are

⁴See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

not similar to those with respect to which registration is applied for: *Provided*, That use of the 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.

Explicit from the above provision of the IP Code that whenever a mark subject of an application for registration, resembles another mark, which has been registered or has an earlier filing or priority date, or to a well-known mark, said mark cannot be registered.

Records will show that at the time Respondent-Applicant filed his trademark application for the mark NISTO, Opposer has already obtained a registration for its mark NISMO as early as 27 July 1992 for Class 12. As such, pursuant to Section 138 of the IP Code, being a holder of a certificate of registration, such "certificate of registration is a prima facie evidence of the registrant's ownership of the mark, and of the exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto."

But are the marks of the parties confusingly similar as to likely cause confusion, mistake or deception among the consumers? The marks of the parties are reproduced hereunder:

NISMO

Opposer's Marks

NISTO

Respondent-Applicant's Mark

A scrutiny of the competing marks would show that they are both word marks. Opposer's mark consists of the letters N-I-S-M-O while Respondent-Applicant's mark consists of the letters N-I-S-T-O. Both marks contain the same number of letters which are written in plain upper case letters. The only difference between them is that the letter "M" in Opposer's mark was replaced with the letter "K" to form Respondent-Applicant's NISTO mark.

Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to

purchase the one supposing it to be the other.⁵ Colorable imitation does not mean such similitude as amounts to identify, nor does it require that all details be literally copied. Colorable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark or trade name with that of the other mark or trade name in their over-all presentation or in their essential, substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.⁶

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. To constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.⁷ The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:⁸

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.


Furthermore, since Respondent-Applicant is engaged in the business of selling automotive parts in the Philippine market is deemed to be familiar with its competitors in the same business. Thus, it should have known that Opposer, a big player in the said business, have been engaged in distributing and selling automotive parts with a mark NISMO. Yet, despite such presumed knowledge of Opposer's mark NISMO, Respondent-Applicant still has to imitate Opposer's mark by coming up with a similar mark by just replacing the fourth letter of the NISMO mark to form its NISTO mark. A boundless choice of words or phrases is available to one who wishes a trademark sufficient unto itself to distinguish his product from those of others. When, however, there is no reasonable explanation for the defendant's choice of such a mark though the

⁵ *Societe Des Produits Nestle, S.A v. Court of Appeals*, G.R. No.112012, 4 Apr. 2001, 356 SCRA 207, 217.

⁶ *Emerald Garment Manufacturing Corp. v. Court of Appeals*. G.R. No. 100098, 29 Dec. 1995.

⁷ See *American Wire and Cable Co. v. Director of Patents et al.*, G.R. No. L-26557, 18 Feb. 1970.

⁸ See *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.

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field for his selection was so broad, the inference is inevitable that it was chosen deliberately to deceive.⁹


It has been held time and again that in cases of grave doubt between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favour with the public, any doubt should be resolved against the newcomer in as much as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.¹⁰

Accordingly, this Bureau finds that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2013-013954, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 06 JUN 2017.


MARLITA V. DAGOSA
Adjudication Officer
Bureau of Legal Affairs

⁹ *Converse Rubber Corporation vs. Universal Rubber Products, Inc.*, G.R. No. L-27906. January 8, 1987.

¹⁰ See *Del Monte Corporation et. al. v. Court of Appeals*, GR No. 78325, 25 Jan. 1990.