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DAVID CHING CHUA, Respondent-Applicant. IPC No. 14-2016-00213 Opposition to: Appln. Serial No. 4-2015-014193 Date Filed: 04 December 2015

TM: BROTHER

NOTICE OF DECISION

SAPALO VELEZ BUNDANG & BULILAN

Counsel for Opposer 11th Floor, Security Bank Centre 6776 Ayala Avenue, Makati City

DAVID CHING CHUA

Respondent- Applicant 41-43 Mc Arthur Higway Potrero, Malabon City

GREETINGS:

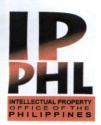
Please be informed that Decision No. 2017 - 266 dated 29 June 2017 (copy enclosed) was promulgated in the above entitled case.

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, 03 July 2017.

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IPRS IV Bureau of Legal Affairs



- versus -

BROTHER INDUSTRIES LTD.. Opposer.

IPC NO. 14 - 2016-00213

Opposition to: Appln Serial No. 4201500014193

TM: "Brother"

DAVID CHING CHUA, Respondent-Applicant. ------x Decision No. 2017-286

DECISION

BROTHER INDUSTRIES LTD. (Opposer)¹ filed an Opposition to Trademark Application No. 42015000014193. The application filed by DAVID CHING CHUA (Respondent)², covers the mark "Brother", for use on "washing machine, hand tap, puller, cable cutter, flaring tool, plier, screw driver, flat iron, speaker, amplifier, dvd player, crt tv, led tv, rice cooker, electric fan, oven toaster, electric airpot, electric stove, gas stove, microwave oven, rechargeable lantern, kettle, plastic furnitures, storage wardrobe, gas stove stand, folding bed, kettle thermal pot, kerosene stove, lunch kits, cutlery set, cookware set, glass plate, glass bowl, glass cup, iron stand, mops, vacuum flash, plastic wares" covered under Classes 7, 8, 9, 11, 20, and 21 of the International Classification of Goods.³

On its Opposition, the Opposer alleges:

A. Opposer is the true and exclusive owner, and prior adopter, user, applicant for registartion, and registrant of the "Brother" trademark.

> 1. Opposer is the true and exclusive owner, and prior adopter, user, applicant for registration, and registrant of the "Brother" trademarks for goods falling under several classes, including classes, 2, 7, 8, 9, and 16 here and abroad, including the Philippines. x x x

INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio, 1 Taguig City 1634 Philippines •<u>www.ipophil.gov.ph</u>

T: +632-2386300 • F: +632-5539480 • mail@ipophil.gov.ph

¹ A foreign corporation organized under the laws of Japan with address at 15-1 Naeshiro-cho, Mizuho-ku Nagoya-shi, 467-8561 (JP)

² A natural person with address at 41-43 Mac Arthur Hi-way, Portrero, Malabon City.

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.

2. The Opposer's dates of first use of the "Brother" trademark in the Philippines and abroad were much earlier than the date of first use of the Respondent-Applicant's "Brother" mark.

3. As early as 1976, the "BROTHER" trademark was already registered with the then Philippine Patent Office.

With the aforementioned dates, it is clear that the "Brother" trademarks of the Opposer enjoy protection under RA 8293 by virtue of the "first to file" rule.

B. A likelihood of confusion exists between Opposer's "BROTHER" trademark and Respondent-Applicant's "BROTHER" mark.

> 1. It should be noted that the Respondent-Applicant's mark "Brother" mark is nearly identical to Opposer's "Brother" trademark. The only minor differences are that the mark "Brother" o the Respondent-Applicant uses a capital "B" and not a small "b" and a slight difference in the font face used $x \times x$

> 4. Under the relevant Philippines jurisprudence, there are two (2) tests that may be used to determine likelihood of confusion: the dominancy test and holistic test.

a) The "dominancy test" focuses on the similarity of the main, prevalent or essential features of the competing trademarks that might cause confusion. Infringement takes place when the competing trademark contains the essential features of another. Imitation or an effort to imitate is unnecessary. The question is whether the use of the marks is likely to cause confusion or deceive purchases; and

b) The "*holistic test*" considers the entirety of the marks, including labels and packaging, in determining confusing similarity. The focus is not only on the predominant words but also on the other features appearing on the labels.

5. The decisions of the Supreme Court show that both tests should warrant refusal of the registration of Respondent-Applicant's "Brother" trademark. x x x

14. In the present case, the subject trademarks share the same dominant and most attractive feature which is the word "Brother" that is pronounced in the same way, and covers the same goods under classes 7 and 9. The only differences are the capitalization of the Respondent-Applicant's "B" in brother and the slight difference in the font used. It is the use of this portion of the mark by the Respondent-Applicant that is its dominant feature. Thus, the likelihood of confusion is apparent.

15. From the foregoing enumeration of Supreme Court decisions, it is clear that the registration of the Respondent-Applicant's "Brother" mark cannot be allowed, applying the Dominancy test. The word "Brother", is undoubtedly the same work most likely to attract the attention of the consumer. $x \times x$

18. In the case at bar, in addition to the similarity of dominant features discussed above, Respondent-Applicant's "Brother" mark is identical to Opposer's "Brother" trademark in terms of other factors such as the goods covered both cover international classes 7, 8, and 9. Respondent-Applicant's target market is likewise similar, to the Opposer's market as they sell similar

products, which are mechanically based. They likewise cater to the same channels of trade by which the goods covered by the subject marks travel. Applying the Holistic Test, the same conclusion can be reached.

C. Respondent - Applicant's "Brother" mark cannot be registered in the Philippines pursuant to the provision of Section 147.2 of RA 8293.

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2. From the above provision, it is clear that the Opposer as the prior adopter, user, applicant, and registrant of the trademarks that contain the word "Brother" is protected by law. The above provision is referred to as the first to file rule. Thus, the Respondent-Applicant's identical "Brother" mark should not be registered as the Opposer clearly has the superior and exclusive right to own and exploit the above trademark that contain the word "Brother" by virtue its prior adoption, use, filing and registration of the same.

D. Respondent-Applicant, in adopting

its "Brother" mark, is likely to cause confusion, or to cause mistake or to deceive as to the affiliation, connection or association with the Opposer, or as to origin, sponsorship or approval of its goods by the Opposer.

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6. Similarly, in the case at bar, with Respondent-Applicant's use of the word "Brother" in its "Brother" mark, there is a clear intent to take advantage of the goodwill already created by Opposer's "Brother" trademarks as it <u>has</u> been in the world market for over a century and in the Philippines since 1973.

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8. Clearly, Respondent-Applicant's intent to ride on the goodwill attached to Opposer's "Brother" trademarks cannot be denied. Respondent-Applicant's desire to tack on the fame reputation and goodwill of the Opposer's "Brother" trademarks is obvious in its attempt to adopt a mark which is identical. If the Respodent-Applicant would just stretch its imagination, it could come up with a boundless amount of words for its mark other than those already protected by law. However, Respondent-Applicant opted to ride on the fame, goodwill, and reputation that has been acquired by the "Brother" trademarks. Clearly, it would be inconsistent and unjust to have a similar/identical trademark registered in the Philippines in the name of Respondent-Applicant who is unrelated to and unauthorized by the Opposer. On the basis of Section 123.1 (g), Respondent-Applicant's application should be refused registration.

E. Opposer's "Brother" trademarks falling under several international classes are well-known in the Philippines and abroad.

> 1. The Opposer's "Brother" trademarks are well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, rather than the public at large, as being trademarks owned by the Opposer.

2. The Opposer's "Brother" trademarks have been used promoted and advertised for a considerable duration of time and over wide geographical areas. Oppose has invested tremendous amounts of resources in the promotion of their trademarks, i.e., advertisements in well-known newspapers, magazines and other publication in the Philippines and around the world. The Opposer's "Brother" trademarks have a considerable share in the market in the Philippines and other countries. there is already a high degree of distinction of Opposer's "Brother" trademarks. Its products carried under said trademarks had through the years, earned international acclaim, as well as the distinct reputation of being high quality products.

3. The Opposer's products bearing the "Brother" trademarks are routinely and heavily advertised in vavrious forms of media in the Philippines, including magazines, in store and outdoor displays, as well as on the Opposer's websites.

To support its claim, the Opposer submitted the following evidence:

Exhibit "A" to "A-8" – Certified Copies of the Certificates of Registration;

Exhibit "B" - Affidavit of Atty. Neptali L. Bulilan dated 30 June 2016; and

Exhibit "C" – Affidavit of Atty. Ignacio A. Sapalo dated 30 June 2016, including Annexes "A" to "A-48, "B", "C", "D" to "D-16", "E" to "E-25", "F" "G".

This Bureau issued a Notice to Answer on 7 July 2016 and served a copy thereof to the Respondent-Applicant on 14 July 2016. However, the Respondent-Applicant did not file an Answer. In view thereof, an Order dated 21 December 2016 was issued declaring the Respondent-Applicant in default. Consequently, this case was submitted for decision.

The issue to be resolved in this case is whether the Respondent-Applicant should be allowed to register the trademark "Brother."

The Opposer anchored its Opposition, among others, on Section 147.1 of the Intellectual Property Code of the Philippines (IP Code) which provides that 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.

The contending marks are depicted below for examination and comparison:



Respondent – Applicant's Mark

brother

Opposer's Trademark

From the above, it is clear that both parties use the same word "BROTHER" as their trademarks. While the fontface or the styles are different, the differences are only minor and at best negligible to the buying public. Undoubtedly, the subject above trademarks can be considered identical marks.

Considering now the goods subject of the two trademarks, this Bureau finds that the goods of the Opposer and Respondent are also similar or closely related goods. The Respondent mark is being applied for use on goods that are composed of various home appliances and kitchenwares. On the other hand, the Opposer also caters to electric appliances, machineries and motors powered products. Both group of products are found and sold in the same trade channels and are usually displayed side by side with each other on the store.

In view of the foregoing and under the Section 147.1 of the IP Code, a likelihood of confusion shall be presumed from the usage of an identical sign or trademark for identical goods or services.

Under Section 123.1 par. (d), IP Code, it specifically provides:

123.1. A mark cannot be registered if it:

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(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;

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Thus, in view of the findings of confusing similarity between the trademark being applied by the Respondent and the prior registered mark of the Opposer, the registration of the Respondent's trademark cannot be allowed.

Succincty, our Supreme Court has consistently emphasized that a trademark is a distinctive mark of authenticity through which the merchandise of a particular producer or manufacturer may be distinguished from that of others, and its sole function is to designate distinctively the origin of the products to which it is attached.⁴ In this case, the Respondent applied trademark did not satisfy the said function of a trademark.

WHEREFORE, premises considered, the instant Opposition to Trademark Application Serial No. 4201500014193 is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4201500014193 be returned

⁴ Arce Sons and Co. vs. Selecta Biscuit et. al., G.R. L-14761, 28 January 1961 citing Reynolds & Reynolds Co. vs. Nordic, et al., 114F 2d, 278

together with a copy of this DECISION to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 29 JUN 2017

Atty. Leonardo Oliver Limbo Adjudication Officer Bureau of Legal Affairs