

SUMITOMO RUBBER INDUSTRIES LIMITED,
Opposer,

-versus-

RIZHAO KAISHUN TIRE CO., LTD., Respondent-Applicant. IPC No. 14-2016-00568

Opposition to:

Appln. Ser. No. 4-2016-503889 Date Filed: 03 August 2016

TM: DUNLOHOO

NOTICE OF DECISION

VERALAW (Del Rosario Raboca Gonzales Grasparil)

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FEDERIS & ASSOCIATES LAW OFFICES

Respondent-Applicant's Representative Suites 2004 1nd 2005, 88 Corporate Center 141 Valero Street, Salcedo Village, Makati City

GREETINGS:

Please be informed that Decision No. 2017 - 3% dated 16 November 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, 21 November 2017.

MARILYN F. RETUTAL

IPRS IV

Bureau of Legal Affairs



SUMITOMO RUBBER INDUSTRIES,	PC NO. 14-2016-000568
LIMITED,	}
Opposer,	Opposition to:
	App. Serial No. 4-2016-503889
-versus-	Date Filed: 03 August 2016
·	TM: DUNLOHOO
RIZHAO KAISHUN TIRE CO., LTD.,	}
Respondent-Applicant.	}
X)	Decision No. 2017 - <u>378</u>

DECISION

SUMITOMO RUBBER INDUSTRIES, LIMITED¹ ("Opposer"), filed an opposition to Trademark Application Serial No. 4-2016-503889. The application filed by RIZHAO CO., LTD.² ("Respondent-Applicant"), covers KAISHUN "DUNLOHOO" for use on goods such as "tractors; inner tubes for pneumatic tires [tyres]; automobile tires [tyres]; electric vehicles; motorcycles; cars; bicycles; mobility scooters; tyres for vehicle wheels; solid tyres for vehicle wheels" under Class 12 of the International Classification of Goods.3

The Opposer alleges the following grounds:

- "A. The Opposer is the prior user and true owner of the well-known DULOP trademark as evidenced by its multiple trademark registrations and applications and it is entitled to protection against confusingly similar marks.
- "B. Respondent-Applicant's mark will cause a likelihood of confusion with Opposer's various DUNLOP trademarks;
- "C. A visual and phonetical comparison of the competing marks reveals that the parties' trademarks are closely similar, if not identical.
- "D. The parties' goods are identical, increasing the likelihood of confusion.

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A corporation organized and existing under the laws of China with address at Plastic Industrial Park, Gaoziazhuang, Liuguanzhuang Town, Juxian, Rizhao, Shandong, China.

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.

"E. The Opposer will suffer irreparable injury due to the use and registration of Respondent-Applicant's mark as it will result in the likelihood of confusion and dilution of Opposer's DUNLOP trademarks and its variations ("DUNLOP Marks")."

Opposer's evidence consists of the following:

- 1. Printout of the details of Respondent's Application No. 4-2016-503889 for the mark DUNLOHOO.
- 2. Legalized and authenticated Special Power of Attorney executed by Tetsuo Shimizu;
- 3. Authenticated Director's Certificate;
- 4. Legalized and authenticated Affidavit- Direct Testimony of Tetsuo Shimizu;
- 5. Copies of representative samples of advertisements for DUNLOP;
- 6. Printout of relevant pages of the website http://www.dunloptires.ph;
- 7. Copy of Opposer's Audited Financial Statements; and
- 8. Copy of Certificate of Registration No. 4-2010-501692 issued on 07 July 2011 for the mark DUNLOP.

This Bureau issued on 24 January 2017 a Notice to Answer and served a copy thereof upon the Respondent-Applicant's counsel on 30 January 2017. Despite receipt of the Notice, Respondent-Applicant failed to file the answer. On 27 June 2017, an order was issued declaring Respondent-Applicant in default. Accordingly, the case is deemed submitted for resolution on the basis of the affidavit and evidence submitted by the Opposer.

Should the Respondent-Applicant's mark **DUNLOHOO** 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

Opposer anchors its opposition on Section 123.1 (d) and (e) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code), as amended, provides:

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

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

 $X \qquad X \qquad X$

- (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;

It is clear from the above provisions 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-know mark, said mark cannot be registered.

The records show that at the time the Respondent-Applicant filed its application for the mark DUNLOHOO on 03 August 2016, the Opposer already has existing registration for the mark DUNLOP issued on 07 July 2011. As such, the certificate of registration in its name is a *prima facie* evidence of the validity of its registration, its ownership of the mark and its exclusive right to use it in connection with the goods and/or services and those that are related thereto, pursuant to Section 138 of the IP Code. Thus, the Opposer has the right to oppose the application for registration of a mark which is identical or similar to its marks, as in this case.

But are the marks of the parties confusingly similar as to likely cause confusion or mistake on the public? The marks of the parties are shown below:

DUNLOP

DUNLOHOO

Opposer's Mark

Respondent-Applicant's Mark

A comparison of the mark shows that the competing marks are both word marks. Respondent-Applicant's mark resembles that of Opposer's mark. Respondent-Applicant merely copied the first five (5) letters "D-U-N-L-O" in Opposer's mark in sequential order and added the three (3) additional letters "H-O-O". Although Respondent-Applicant added the letters "H-O-O" to vary it from the Opposer's mark, nonetheless, confusing similarity cannot be eluded. 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 It has been stated time and again that, "the conclusion created by use of the same word as the primary element in a trademark is not counteracted by the addition of another term."

The finding of confusing similarity based on the reproduction or copying of the dominant feature of a registered mark by the applicant has been dictated by numerous precedents laid down by no less than the highest court of the land. In *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*7, the Supreme Court has held 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. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof.

Moreover, the goods upon which the competing marks are used are similar if not identical. Thus, the likelihood that the consumers would be mistaken, confused or deceived into believing that the goods come from the same source or origin, is greater than when the goods are non-competing.

⁵ Societe Des Produits Nestle, Et. Al. vs. Court of Appeals. G.R. No. 112012. April 4, 2001

⁶ Continental Connector Corp. vs. Continental Specialties Corp. 207 USPQ 60.

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

Further, the contending marks are also aurally similar. Where goods are advertised over the radio, similarity in sound is of special significance. The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of the help of our eyes and must depend entirely on the ear. In this case, when Respondent-Applicant's DUNLOHOO mark is pronounced, it cannot be easily distinguished from Opposer's DUNLOP. Similarity of sound is sufficient ground to rule that two marks are confusingly similar when applied to merchandise of same descriptive properties.⁸

As whether Opposer's DUNLOP mark can be considered as a well-known mark, Rule 102 of the Trademark Regulations sets forth the following criteria in determining whether a mark is well-known:

RULE 102. Criteria for determining whether a mark is well-known. - In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- (a) the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- (b) the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- (c) the degree of the inherent or acquired distinction of the mark;
- (d) the quality-image or reputation acquired by the mark;
- (e) the extent to which the mark has been registered in the world;
- (f) the exclusivity of registration attained by the mark in the world;
- (g) the extent to which the mark has been used in the world;
- (h) the exclusivity of use attained by the mark in the world;
- (i) the commercial value attributed to the mark in the world;
- (i) the record of successful protection of the rights in the mark;
- (k) the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
- (l) the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.

In this regard, any combination of the above-mentioned criteria may be taken into account to determine whether DUNLOP is a well-known mark. In this case, Opposer failed to establish any of the criteria set forth above. As such, its DUNLOP mark cannot be considered as a well-known mark.

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

WHEREFORE, premises considered, the instant opposition is hereby *SUSTAINED*. Let the filewrapper of Trademark Application Serial No. 4-2016-503889, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 16 NOV 2017

MARLITA V. DAGSA Adjudication Officer Bureau of Legal Affairs