

HAW PAR BROTHERS INT'L, LTD.	)	INTER PARTES CASE NO. 1332
HAW PAR BROTHERS INT'L)	
H.K., LTD.,	)	PETITION FOR CANCELLATION:
)	
Petitioner,	)	Cert. of Regn. No. 26612
	)	Issued : January 23, 1979
- versus -	)	Registrant : Shun Ching
	)	Trademark : SHIKOYU LION
	)	and TIGER OIL
	)	with Chinese
	)	characters &
	)	Device
	)	Used on : Medicated oil
)	
	)	<u>DECISION NO. 92-23 (TM)</u>
)	
SHUN CHING,	)	September 14, 1992
Respondent-Registrant.)	
x-----x)	

DECISION

HAW PAR BROTHERS INTERNATIONAL LIMITED, filed a Petitioner on October 5, 1979 seeking cancellation of Certificate of Registration No. 26612 for the mark Trademark "SHIKOYU LION & TIGER OIL with Chinese characters and Device", hereinafter referred to as Shikoyu, used on medicated oil under International class 5 issued on January 23, 1979 in the name of SHUN CHING.

Petitioner is a foreign entity, a corporation duly incorporated under the laws of Hong Kong and doing business at No. 1 Lockhart Road, 14th Floor, Hong Kong, while the Respondent-Registrant, SHUN CHING is a British subject, of Hennessey Road, Hong Kong.

Petitioner alleges that the registration in favor of Shun Ching of the trademark SHIKOYU violates the provisions of Sec. 4(d) of R.A. No. 166 as amended. It is identical and confusingly similar to petitioner's trademarks as registered and/or applied for and previously used in the Philippines.

Petitioner HAW PAR BROTHERS INTERNATIONAL LIMITED, is the alleged owner of the "TIGER" marks which was used in associated with its well known Tiger Balm Oil and/or Ointment, namely "TIGER BALM TIN ENVELOPE", CHINKAWHITE BOX MIXTURE" "TIGER WORD & DEVICE (LEAPING TIGER & WORD TIGER" which were previously registered in the Philippines on the supplemental register for identical goods as evidenced by Certificate of Registration Nos. SR- 719, SR-720, SR-721, SR-722, SR-723 issued on December 9, 1965 and on the Principal Register, registration No. 12254, issued on April 14, 1966 respectively. The Petitioner is likewise the owner of TIGER mark registrations in Hong Kong namely, Registration Nos. 259 dated April 28, 1928, 125 dated November 15, 19928, 126 dated November 15, 1928, 127 dated November 15, 1928, 86 dated December 1, 1932, 290 dated July 26, 1948, 1418 dated July 19, 1961, 1172 dated March 27, 1973 and 1309 dated January 14, 1976.

Petitioner HAW PAR BROTHERS INTERNATIONAL (H.K.) LIMITED is the registered owner of an equally large number of LION trademark registrations in Hong Kong namely: Reg. Nos. 81, dated September 3, 1951; Reg. No. 760, dated December 28, 1966; Reg. No. 761 dated December 28, 1966; Reg. No. 762 dated December 28, 1966; Reg. No. 1171 dated December 28, 1966; Reg. No. 1172 dated December 28, 1966; Reg. No. 1221 dated January 16, 1969; Reg. No. 1736 dated January 16, 1969; Reg. No. 421 dated January 28, 1972 and 422

dated January 28, 1972. Based on its Hong Kong registrations, Petitioner has filed on July 18, 1992 and December 15, 1978 applications for the registrations of its LION marks in the Philippines. Two of these applications were registered, the particulars of which are:

- (1) Cert. of Reg. No. 31726
Date issued : March 23, 1983
Trademark : "Double Lion Cross Flags
(with logo)";
- (2) Cert. of Reg. No. 32174
Date issued : July 21, 1983
Trademark : "Double Lion"

The respondent-registrant denied petitioner's allegations and countered that:

1. Respondent-registrant's "SHIKOYU LION & TIGER OIL" trademark and/or the trademark "SHIKOYU" used on medicinal oil (Class 5) was first used by respondent-registrant in January 1961 and was first used in Commerce in the Philippines in March 1962 and continuously up to the present.
2. This Honorable Office, in fact issued Certificate of Registration No.17816 on October 23, 1972 to respondent-registrant for the trademark "SHIKOYU". The labels and carton containers bearing the "SHIKOYU" trademark are substantially similar to those bearing the trademark "SHIKOYU LION & TIGER OIL".
3. Respondent-registrant's trademarks are distinctly different from those of the petitioners' in wording, appearance, sound and actual presentation on the labels and/or carton containers of their respective products;
4. Moreover, the carton containers of respondent-registrant products bearing his registered trademarks are clearly marked as manufactured by Imada Pharmaceutical Co., and Luen Wah (H. K.) Medicine Co., both of which are owned and/or controlled by respondent-registrant. The likelihood of confusion between the products of petitioners are those of respondent-registrant is, thereof, very remote if not totally absent;
5. Respondent-registrant is also the registered owner of the trademarks "SHIKOYU LION & TIGER OIL" and/or "SHIKOYU LION & TIGER OIL WITH DEVICE" issued by the Patent and Trademark Office of the following countries:

Country	Cert. No.	Date of Issuance
1. Hong Kong	1081	February 12, 1968
2. Singapore	34155	December 26, 1963
3. Taiwan	15690	August 1, 1963
4. Taiwan	16834	January 1, 1964
5. Cambodia	4006	January 10, 1963
6. Great Britain	873921	January 6, 1965
7. Indonesia	94881	March 3, 1970

6. Despite the use and registration of respondent-registrant's trademarks in Hong Kong and Singapore for nearly twenty (20) years now petitioners had never complained against the use and registration of respondent-registrant's trademark in said places. Neither have petitioners taken any legal

action against respondent-registrant in Hong Kong or Singapore, petitioners corporate domiciles.

One of the Special/Affirmative defenses of Respondent-Registrant states:

x x x

5. Assuming *arguendo* that petitioners have cause of action their present petitioner is nevertheless barred by laches or acquiescence due to their inaction for a period of almost (18) years, during which time petitioners allowed respondent-registrant to use his "SHIKOYU" and "SHIKOYU LION & TIGER OIL" trademarks without protest.

Does the registration of the trademark "SHIKOYU LION & TIGER OIL with Chinese characters and Device" violate the provisions of Sec. 4 (d) of the trademark law? Said section provides as follows:

Sec. 4. Registration of trademarks, tradenames and service marks on the principal register. – There is hereby established a register of trademarks, tradenames and service marks which shall be known as the principal register. The owner of a trademarks, tradename or service mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it:

x x x

"(d) Consists of or comprises a mark or tradename which so resembles a mark or tradename previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers;"

As to which was used earlier than the other in the Philippines, there appears no dispute that it was "TIGER word & Device". Respondent-Registrant did not rebut the claim of the petitioner in its certificate of registration that "TIGER word & Device" has been sold in the Philippines since 1927 up to the present.

With respect, however to the "LION" mark, the situation is different. Although petitioner alleges use of the "LION" mark in the Philippines since 1927 this fact has not been established. Relevant evidence consist of Philippine certificates of registration 31726 for "Double Lion Cross Flags (with logo)" issued on March 23, 1983, and 32174 for "Double Lion" issued on July 21, 1983, which were registered on the basis of Hong Kong registrations, not use in the Philippines. Following the principle of territoriality only use in the Philippines may be the source of trademark rights in Philippine territory (*Sterling Products vs. Bayer*, No. L-19906, April 30, 1969). In view of the fact that no evidence was submitted by the petitioner as to the date of use of LION marks in the Philippines, pursuant to Rule 173, Rules of Practice in Trademark Cases, the filing date of Lion marks: July 18, 1977 for Double Lion Cross Flags (with logo), and Dec. 15, 1978 for Double Lion; will be deemed the date of use in the Philippines.

The petitioner did not claim protection on the basis of the provisions of the Paris Convention for the protection of well-known marks. Even if it did the evidence submitted is not enough to find that the "LION" mark is entitled to such protection.

On the other hand, the filing date, hence the date of use in the Philippines, of the SHIKOYU mark is January 27, 1976. If the issue in this case is which party has the exclusive right to the LION mark used in connection with medicated oil, our decision would favor Shun Ching.

In relation to the allegation of the petitioner that its products are known or are referred to in the market as "TIGER" brand & "LION" brand, no evidence was submitted to prove this claim. Assuming that this conclusion may be based on the reasonable expectation that the consumer would refer to it as the "TIGER" or "LION" oil, since the representation of a tiger or lion constitute petitioner's marks, petitioner, however, cannot rest his case solely on this fact. Perforce, he has to prove that the respondent-registrant, in taking advantage of the reputation and goodwill acquired by petitioner's product, had peddled or marketed its own products likewise as the "TIGER" brand or "LION" brand medicated oil. No such fact was established by the petitioner. On the other hand the likelihood that respondent's products are peddled as SHIKOYU medicated oil cannot be foreclosed.

What is left to be resolved is whether or not there is confusion, mistake or deception among consumers because of the adoption and use of the Respondent-Registrant of the trademark "SHIKOYU LION & TIGER OIL with Chinese characters and Device" for medicated oil in view of the prior use in the Philippines of the mark TIGER word and Device for the same goods.

In resolving this issue a comparison should be made between "TIGER word and Device" on one hand and the "SHIKOYU LION & TIGER OIL with Chinese characters and Device" on the other. The registrations petitioner obtained in the Philippines for Double Lion Cross Flags (with logo) and Double Lion will not be taken into consideration because they cannot be predicted on use in the Philippines prior to that of the SHIKOYU mark.

The trademarks "TIGER" and "Tiger word and Device" referred to are those which are evidenced by Certificate of Registration Nos. SR-719, SR-720, SR-722, SR-723 which were issued on December 9, 1965 and Reg. No. 12254 issued in April 14, 1966. These registrations consist of the word "TIGER" printed right above the back of a representation of a leaping tiger. The front feet of the tiger are stretched forward and the hind feet in the opposite direction but the tiger maintained a horizontal position relative to the surface. The trademark of respondent-registrant is a "combination mark" composed of works in Arabic and Chinese characters and devices. The upper portion of the mark consists of a framed portrait of a man facing the viewer. This portrait is betwixt a tiger, to its left, and a lion, to its right. Both the tiger and the lion are standing on their hind feet with the front feet of each stretched to hold the portrait. The tiger and the lion are slightly taller than the portrait. The word portions are printed below this device. They form three lines: four Chinese characters make up the first line, on the second line just below the Chinese characters aforementioned is SHIKOYU in capital letters which are of the same height as the Chinese characters above it; and on the third line below SHIKOYU, are the words Lion and Tiger oil printed in much smaller lettering both in height and thickness.

In resolving the issue at bar the test of dominancy should be applicable. This test was formulated on the basis of the practical observation that the ordinary customer does not scrutinize the details of the label, he forgets or overlooks this but retains in general impression or central figure or dominant character.

Where the conflicting marks are combination marks i.e. a part consist of a word and the other consist of a device, the word portion is controlling in determining the issue of likelihood and confusion since it is most likely to be impressed upon the purchaser's memory and to serve as indicium of origin, and since it is that portion of the mark purchasers refer to order goods. This is the gist of the decision of the Court of Appeals in finding that the words "Rahwide" and "Jordache" more easily attract and often the eye of the consuming public, and it is those words which would stick in their minds and not the horsehead design which are both found in the contending mark. When buying clothes, the customer would be more likely to say that he wants to buy "Rawhide" or "Jordache" pants, instead of saying that he wants the pair of jeans with a horsehead design. (Jordache Ent. V Davila, C.A.-G.R. SP Nos. 10997, 10998, February 14, 1989. This was affirmed by the Supreme Court in G.R. No. L-87996-994, July 24, 1989.)

Another element that may be considered in determining whether confusion would likely arise among purchasers is the nature and cost of the goods in connection with which the marks are used. In this case it is medicated oil. As they affect the health or physical well-being of the buyer of the product, he would exercise greater care than when buying ordinary consumer goods, grocery items for example.

On the basis of the foregoing, viewing the trademark of respondent-registrant in its entirety, there is no doubt that the word SHIKOYU is that portion of the mark which the consumer would retain in his memory and which he would refer to when signifying his intention to buy the product rather than the Lion and intention to buy the product rather than the Lion and Tiger devices which also appear as part of the mark. And a buyer of medicated oil, who would be more circumspect than when exercising his choice while shopping for products for daily consumption, would not likely to confuse the SHIKOYU product with the TIGER or even LION medicated oil of petitioner.

The petitioner indeed has failed to overcome the presumptions of validity, exclusivity and ownership enjoyed by the respondent0registrant in respect of the mark SHIKOYU LION & TIGER OIL with Chinese characters and Device.

WHEREFORE, the petition for cancellation is hereby DISMISSED.

Let the filewrappers of this case be forwarded to the Application, Issuance and Publication Division for appropriate action in accordance with this Decision. Likewise, let a copy of this Decision be furnished the Trademark Examining Division for information and to update its records.

SO ORDERED.

JORGE CESAR M. SANDIEGO
Assistant Director