

NEC CORPORATION,)	INTER PARTES CASE NO. 2023
Petitioner,)	
)	PETITION FOR CANCELLATION:
)	
- versus -)	Cert. of Regn. No. 7138
)	Issued : November 29, 1985
)	Registrant : Manuel Tiu
)	Trademark : NEC
)	Used on : Electric Fans
)	
)	<u>DECISION NO. 91-16 (TM)</u>
)	
MANUEL TIU,)	October 21, 1991
Respondent-Registrant.)	
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DECISION

This is a petition for cancellation filed by NEC CORPORATION, a corporation duly organized under the laws of Japan, domiciled and doing business at 33-1, Shiba 5-Chome, Minato-ku, Tokyo, 108, Japan, seeking the cancellation of the registration of the mark NEC for electric fans issued on November 29, 1985 in the name of MANUEL TIU, a Filipino citizen doing business at 933 Zacateros St., Binondo, Manila.

The grounds for cancellation are as follows:

“1. Respondent is not entitled to register the trademark NEC at the time of his application for registration thereof because it was in violation of, and ran counter to, Section 4(d) of Republic Act No. 166. It is identical to the trademark NEC of NEC Corporation which is registered and used in Japan and over 140 countries, including the Philippines. Respondent’s registration has caused, is causing and will cause confusion, mistake and deception to the purchasing public because respondent’s mark covers goods in International Class 11, namely, electronic equipment and appliances such as refrigerators and room coolers which are similar to the goods covered by the registration for “NEC” owned by petitioner, namely, electronic equipment and appliances such as refrigerators and room coolers which are sold in the same channels of trade.

“2. Respondent’s registration of the mark NEC, which is confusingly similar to petitioner’s mark previously used and well-known in the Philippines for goods similar to those confuse by respondent’s registration, will confuse and mislead the purchasing public and make it convenient for unscrupulous dealers to pass off the goods of respondent as those of the petitioner which are well-known the world over, including the Philippines, to the injury of both the petitioner and buy the buying public.

“3. Petitioner’s trademark is a well-known mark the world over, including the Philippines, and as such is entitled to protection under Article 6 bis of the Paris Convention of 1884.”

Petitioner relied on the following facts to support its petition:

“(1). Petitioner NEC Corporation is the owner and registrant of the trademark NEC covered by Registration Nos. 16205 issued on February 22, 1971 and 10130 issued on 27 December, 1962 (R-2989), when both registrations were issued by the Philippine Patent Office to Nippon Electric Co., Ltd., a predecessor

of NEC Corporation. Copies of certificates of Registration Nos. 16205 and 10130 are attached and made integral parts hereof as ANNEXES A and B, respectively.

“(2). Petitioner has continuously used said trademark on its goods in the Philippines and many countries in the world long before the filing date of respondent’s application and its claimed date of first use.

“(3). Petitioner has spent and is spending large amounts for advertising and popularizing its said trademark NEC worldwide.

“(4). The long use of and the large amounts spent to popularize its trademark NEC has generated immense goodwill for said trademark, not only in the Philippines but throughout the world, and petitioner’s goods covered by said trademark have acquired the reputation of high quality products to the purchasing public so that said trademark has become a distinctive and strong mark.

“(5). The trademark NEC registered in favor of respondent is not confusingly similar but identical to petitioner’s trademark, so that its use on the goods of respondent will indicate that its goods are the same or connected with those manufactured or sold and dealt in by petitioner, and this will cause confusion or mistake or deceive purchasers as to the source or origin of purchasers as to the source or origin of respondent’s goods or will cause the public to believe that respondent is affiliated or connected with petitioner’s business.”

After several requests for extension which were all granted by this Office, Respondent finally filed its Answer on January 21, 1987 specifically denying each and every allegation in the Petitioner for Cancellation.

Immediately after the issues were joined, this Office set the Pre-trial Conference of this case initially on February 06, 1987, this Office, upon motion of Counsel for Petitioner, terminated the Pre-trial Conference due to repeated failure of Respondent-Applicant to appear at the scheduled Pre-trial Conference. The Hearing on the Merits was set on July 28, 1987 but was postponed for the last time to September 01, 1987 again, due to non-appearance of Respondent-Registrant.

On October 02, 1987, Respondent-Registrant likewise did not appear. Counsel for Petitioner proceeded with the presentation of his evidence and thereafter moved that Respondent-Registrant be deemed to have waived his rights to present evidence due to repeated failure of Respondent-Registrant or its Counsel to appear in the scheduled hearing of this case which this Office granted under Order No. 88-13 dated January 19, 1988.

Likewise, in compliance with the Order of this Office No. 88-523, Counsel for Petitioner submitted his Memorandum in support of his position in the instant case.

Petitioner submitted the Affidavit of its witness Susumu Uchihara, a citizen of Japan and the General Manager of the Patents Division of herein Petitioner **NEC CORPORATION** who testified among others that, he had been the General Manager of the Patents Division of Nec Corporation from 1980 up to the present; that he exercises supervision over the export business and the other activities of their company in terms of administration of trademarks; that, “NEC Corporation is engaged in the manufacture and sale of a wide range of electronic equipment such as a) communications systems and equipment; b) computers and industrial electronic systems; c) electron devices; and d) home electronic products and appliances including, among others, color and black-and-white TV receivers, VCRs, portable video cameras, TV projectors, radio receivers, transreceivers, tape recorders, hi-fi audio systems, compact disc digital audio players, lighting products, refrigerators, microwave ovens, kitchen appliances and air conditioners; all of the products manufactured by NEC Corporation which are enumerated in the

preceding paragraph bear the trademark NEC; NEC products, particularly electronic appliances bearing the trademark NEC have been sold in the Philippine market since 1954; The trademark NEC is a world famous trademark and is registered in numerous countries throughout the world, as may be seen from the list attached hereto and made integral part of this Affidavit as Annex "A"; The trademark NEC, used in all products of NEC Corporation, particularly electronic appliances, has been widely advertised throughout the world and in particular, Asia and the Philippines; that based on his experience and background in the administration of trademark NEC, electronic equipment exported to many countries in the world, any electric appliances, such as electric fans, bearing the said NEC trademark will confuse and mislead the buying public and cause them to believe that said product of respondent applicant, Manuel Tiu, are the products of petitioner, NEC Corporation."

Petitioner's witness identified the countries where the trademark NEC has been registered by NEC Corporation which includes countries such as the Philippines, Japan, U.S.A., Canada, Australia, Finland, etc. In all there were more than 140 countries where the trademark NEC of herein Petitioner was registered. He likewise cited the list of international magazines containing advertisements of NEC products.

Petitioner also submitted the following Exhibits with their corresponding submarkings:

1.) Exhibit "A" – the testimonial evidence presented by Petitioner consists of the authenticated affidavit of Mr. Susumu Uchihara, General Manager, Patents Division of Petitioner.

2.) Exhibits "B" – consists of the latest Annual Report, a brochure of titled "This is NEC 1985" and a list of countries where the trademark "NEC" has been registered.

It was established therefore that the mark NEC under Certificates of Registration Nos. 16205 and 10130, is well known internationally.

It could not be said that the trademark or Respondent-Registrant is not confusingly similar to Petitioner's trademark. The goods covered by Respondent-Registrant's NEC trademark which consist of electric fans are related to those in respect of which Petitioner's NEC trademark is used and registered here which are business machines, refrigerators, and room coolers, televisions receivers, tape recorders, stereo phonographs, fluorescent lamp, mercury vapor lamp, among others. Therefore, there is likelihood that the buying public will be confused or mislead into believing that Respondent-Registrant's NEC products originated from the Petitioner.

The Supreme Court has ruled, in the case of Esso Standard Eastern Inc. vs. Court of Appeals, L-29971, August 31, 1982, 166 SCRA 336, that –

"Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form composition, texture or quality. They may also be related because they serve the same purpose or are sold in grocery stores. Thus, biscuits were held related to milk because they are both food products. Soap and perfume, lipstick and nail polish are similarly related because they are common household items nowadays. x x x"

Likewise, the trademark X-7 on laundry soap was also denied because X-7 was already registered in favor of another person and used on perfume, lipstick and nail polish. (See Chua Che vs. Philippine Patent Office, L18337, January 30, 1965, 13 SCRA, 72.); the trademark "ANG TIBAY" for pants and shirts was denied because it was originally used for shoes and slippers. (See Ang vs. Teodoro 74 Philippines, 50.) Also, soap and pomade although non-competitive were held to belong to the same class since both are toilet articles. (Esso Standard Eastern Inc. vs. Court of Appeals, SUPRA.

Furthermore, confusion as to ownership or origin of the goods would likely take place because Petitioner's refrigerators and room coolers and Respondent-Registrant's electric fans, are sold through the same channels of trade i.e. appliance stores and the like.

Therefore, the maintenance of Registration No. 7138 in the Register would cause damage to Petitioner and legitimize the confusion as to the origin of goods carrying the trademark NEC among consumers.

WHEREFORE, finding that Petitioner has made a clear case of cancellation, the Petition for Cancellation filed by it on October 08, 1986 is, as it is hereby, GRANTED. Accordingly, Certificate of Registration No. SR-7138 issued on November 25, 1985 in favor of Manuel Tiu for the registration of the trademark NEC, used on electric fans is, as it is hereby, CANCELLED.

Let the filewrapper of the above-mentioned application be transmitted to the Patent and Trademark Registry and EDP Division for appropriate action in accordance with this Decision. Likewise let a copy of this Decision be furnished Trademark Examining Division for information and to update its own record.

SO ORDERED.

IGNACIO S. SAPALO
Director