

JONSON MANUFACTURING CO., INC.,	}	IPC No. 14-2004-00156
Opposer,	}	Opposition to:
	}	Ser. No. 4-2001-009421
-versus-	}	Date Filed: 12-18-01
	}	TM: "IZUMI"
E.E.C. GENERAL MERCHANDISE, INC.,	}	
Respondent-Applicant.	}	Decision No. 2006-110
x-----x		

DECISION

This pertains to the Notice of Opposition to the application for registration of the trademark "IZUMI" for goods under Class 12, namely, motorcycle, bicycle, scooters, and spare parts thereof under Application Serial No. 4-2001-009421 lodged by Jonson Manufacturing, Inc. and published for opposition in the Intellectual Property Office (IPO) Official Gazette, Volume VII, No. 8, Page 125 that was released for circulation on November 4, 2004.

Opposer Jonson Manufacturing Co., Inc. is a corporation organized and existing under the laws of the Philippines with office address at 42 A. Pablo St. Bo. Karuhatan, Valenzuela City, Philippines while Respondent-Applicant is likewise a corporation organized and existing under the laws of the Philippines, with principal office at No. 1097 A. Corregidor Street corner Molave, Tondo, Manila. Opposer filed on December 6, 2004 an Opposition the grounds of which are as follows:

1. Opposer was registered owner of the trademark "IZUMI" under Class 12 for motorcycle tires as early as April 1, 1992 when it was issued Certificate of Registration No. 52486 by the then Bureau of Patents, Trademarks and Technology Transfer ("BPTTT") in the Principal Register which cites the date of first use as January 2, 1978;
2. Opposer has been using the trademark "IZUMI" since June 7, 1970 as evidenced by Certificate of Registration No. 1578 issued by this Office on September 7, 1972 and recorded in the Supplemental Register;
3. Due to an oversight on its part, opposer inadvertently failed to file its Affidavit of Use in 1997 as the corporate officer who initially filed the applications for the registration of said trademark died and the other corporate officer were unaware of the status of said trademark;
4. Said oversight or inadvertence having been discovered only recently and immediately, opposer filed its application for the re-registration of the trademark "IZUMI" as evidenced by application bearing No. 04-2004-008512 filed on September 14, 2004; and
5. Opposer has spent considerable amount and effort in making the trademark "IZUMI" for motorcycle tires popular throughout the country and it would be most unfair for applicants such as respondent-applicant as published in this Office's Official Gazette to simply take over when said trademark has become a byword among motorcycle tires.

Respondent-applicant filed on March 2, 2005 an Answer specifically denying the allegations in the Opposition except as to opposer's corporate personality, respondent-applicant's judicial personality and its address, and the publication of respondent-applicant's instant application for registration of the trademark "IZUMI" on Class 12 goods. In said Answer, respondent-applicant made the following allegations and defenses:

- "1. Respondent-applicant is engaged in the importation, manufacture, distribution, and sale of various motorcycle parts (i.e., motorcycle roller chains, exhaust pipes, fenders, and the like;

- “2. Respondent-applicant is the owner of the mark “IZUMI” which it uses on the various goods manufactured and sold under Class 12;
- “3. The mark “IZUMI” was first used by respondent-applicant for its motorcycle roller chain products on January 4, 1991, and to protect its ownership over the “IZUMI” mark, respondent-applicant had earlier filed an application for trademark registration with Serial Number 115017 on October 24, 1996 which remains pending at present;
- “4. Respondent-applicant caused the filing of the instant trademark application on December 18, 2001 as the true owner of the “IZUMI” trademark based on its adoption and use;
- “5. Respondent-applicant’s application for registration of its “IZUMI” trademark was filed prior to the filing date accorded to opposer’s application for the mark “IZUMI” which was on September 14, 2004, or more than two (2) years from the filing of the instant application for which reason the instant opposition does not effectively bar the registration of the “IZUMI” mark as respondent-applicant has a superior right over the same;
- “6. Opposer’s reliance on its previous registration as evidenced by Certificate of Registration No. 52486 should not be given any consideration as the same has already been canceled and removed from the Register for opposer’s failure to file its Affidavit of Use on the fifth anniversary of the registration date of the mark;
- “7. Opposer’s non-use of its previously registered trademark “IZUMI” as evidenced by its inexcusable failure to file a Declaration of Actual Use can be properly considered as an express abandonment thereof and does not warrant the denial of the instant application;
- “8. The instant opposition is barred by laches or estoppel: Respondent-registrant has been using the mark “IZUMI” since January 14, 1991 for its motorcycle chain product while opposer, which had an existing certificate of registration for its mark “IZUMI” at that time as its certificate was canceled only in 1997, did not object or institute any action to enjoin the use of its supposed trademark notwithstanding its knowledge thereof;
- “9. The instant opposition is barred by laches or estoppel as respondent-applicant was only apprised of opposer’s belated objection to the use of its “IZUMI” mark when it received the latter’s opposition to the instant application, or more than thirteen (13) years from the time it first used the same;
- “10. Opposer’s knowledge can be logically inferred from the following: a) both parties are engaged in the same motorcycle spare parts/accessories industry; and b) the considerable length of time that respondent-applicant’s product has been out in the market; and
- “11. The marks are not confusingly similar: a) There is absolutely no resemblance in the general appearance or general feature between the 2 marks; b) There are glaring dissimilarities between the 2 marks in the respective labels of the 2 products which are actually used in commerce; and c) The goods for which the marks are used (i.e. motorcycle chains and motorcycle tires) are entirely unrelated.

The parties submitted this case for mediation but there was failure thereof for which reason this case was referred back to the Bureau of Legal Affairs (BLA) for further proceedings. This case was eventually covered by Office Order No. 79: per Notice To Comply With Office Order No. 79 dated October 10, 2005, the parties were directed to file and complete all their

evidences in the required form within thirty (30) days from receipt of said Notice. On November 30, 2005 Opposer filed by registered mail a Compliance alleging that the documentary evidences cited therein were attached to its Opposition. However, per Order No. 2006-54 issued in response to respondent-applicant's Manifestation filed on December 7, 2005, opposer was deemed to have waived the filing of its evidences as, contrary to its manifestation in the Compliance, no such evidences were filed. The Opposition constitutes opposer's entire evidence. As for respondent-applicant, its Answer; the affidavit of Cynthia So; its Trademark Application and Petition for Revival; and its "IZUMI" sticker label constitute the entire evidence for respondent-applicant.

The issues to be resolved are as follows:

1. Whether opposer has abandoned the use of its mark "IZUMI"; and
2. Who between opposer and respondent-applicant has the better right to the registration of the mark "IZUMI" for Class 1 2 goods.

Resolution of the first issue requires application of R.A. No. 166, the old Trademark Law, as opposer's application for registration of the mark "IZUMI" on Class 12 goods for which Certificate of Registration No. 52486 was issued, was made on April 1, 1992.

Section 12 of R.A. No. 166 provides:

"Each certificate of registration shall remain in force for twenty years: *Provided*, That registrations under the provisions of this Act shall be cancelled (sic) by the Director, unless within one year following the fifth, tenth, and fifteenth anniversaries of the date of issue of the certificate of registration, registrant shall filed in the Patent Office an affidavit showing that the mark . . . is still in use or showing that its on-use is due to special circumstances which excuse such non-use and is not due to any intention to abandon the same, and pay the required fee."

It is not disputed that opposer was issued on April 1, 1992 Certificate of Registration No. 52486 in the Principal Register which cites as opposer's first use of the mark "IZUMI" for motorcycle tires under Class 12 on January 2, 1978. It is admitted by opposer that in 1997 or five (5) years from 1992, it failed to file an Affidavit of Use. The Affidavit of Use is a proof required by law to show that the mark "IZUMI" is actually used in commerce in the Philippines by opposer for Class 12 goods since the issuance of the Certificate of Registration (Section 12, R.A. No. 166). With the failure to file such Affidavit of Use within the prescribed period, opposer is deemed to have failed to use the mark in trade or commerce and is deemed, thus, to have abandoned the use of such mark unless it presents evidence to prove otherwise.

Non-use or abandonment of the mark is cause for loss of trademark right and open the mark to appropriation or adoption by others. This is because ownership of a trademark is acquired only by its adoption and use in commerce in the Philippines (Sterling Products International, Inc. v. Farbenfabriken Bayer Aktiengesellschaft, G. R. No. L-19906, April 30, 1969). To the owner who has adopted and actually uses in trade or commerce in the Philippines the law gives protection by granting to said owner registration of the mark, which registration is actually an administrative act merely declaratory of the pre-existing right of ownership (Sterling Products International, Inc. v. Farbenfabriken Bayer Aktiengesellschaft, *supra*).

Opposer alleges that due to an oversight on its part, it inadvertently failed to file its Affidavit of Use in 1997 as the corporate officer who initially filed the applications for the registration of said trademark had died and the other corporate officers were unaware of the status of said trademark. This allegation will not advance opposer's cause: The only way this Bureau could ascertain that the "IZUMI" mark was actually being used by opposer for Class 12 goods since the time Certificate of Registration No. 52486 was issued was by way of the Affidavit

of Use that should have been filed 5 years from the issuance of said Certificate of Registration or by presenting evidence of continuous use to show that despite the failure to file the required Affidavit of Use, Opposer is actually continuously using the mark IZUMI, which Opposer did not do in the instant case. Hence, in the absence of any evidence to show that Opposer is using the mark, Opposer is now presumed to have abandoned the use of the mark IZUMI.

As to the first issue, thus, this Office rules in the affirmative.

On record, Respondent-applicant filed the instant application for registration of the mark "IZUMI" for Class 12 goods on December 18, 2001 and was given Application Serial No. 4-2001-009421. On the other hand, in view of Opposer's failure to timely file an Affidavit of Use after having been issued Certificate of Registration No. 52486, said Certificate was subsequently CANCELLED, hence, Opposer filed an application for re-registration of the mark "IZUMI" likewise for Class 12 goods on September 14, 2004 and was given Application Serial No. 4-2004-008512.

Section 123 (d) of the Intellectual Property (IP) Code provides:

"A mark cannot be registered if it:

(d) Is identical with a mark . . . with an earlier filing or priority date, in respect of:

- a. The same goods . . . or
- b. Closely related goods . . ."

As between the two (2) applications, thus, of different proprietors of identical or substantially similar marks covering the same goods or closely related goods, the application (Respondent-Applicant's application) with an earlier filing date prevails, and the mark registered to the exclusion of the mark whose application date is later (Ibid.).

As to the second issue, thus, this Office rules that Respondent-Applicant has the better right to the registration of the mark "IZUMI" for Class 12 goods.

WHEREFORE, premises considered, the herein Notice of Opposition is as it is hereby DENIED for lack of merit. Consequently, Application Serial No. 4-2001-009241 for the mark "IZUMI" on goods under Class 12 filed on December 18, 2001 by E.E.C. General Merchandise, Inc. is, as it is hereby, GIVEN DUE COURSE.

Let the filewrappers of IZUMI subject matter in this case, together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, October 17, 2006.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office