

SUZUKI MOTOR CORPORATION
Opposer,

IPC No. 14-2010-00003
Case Filed: 05 January 2010
Opposition to:
Appln. Ser.No. 4-2009-002774
Date Filed: 18 March 2009

KAI TAK LAO,
Respondent-Applicant.
x-----x

Decision No. 2010-43

DECISION

Suzuki Motor Corporation (“Opposer”), a corporation duly organized and existing under the laws of Japan, with business address at Takatsuka-cho, Hamamatsu-shi, Shizuoka-ken, Japan filed an opposition to Trademark Application Serial No. 4-2009002774.¹ The application, filed by Kai Tak Lao (“Respondent-Applicant”), with address at 103 V. Gullas Street, Cebu City, Cebu 6000, covers the mark “APV” for use on tires, tubes, rim, rim tape, rim tape/rim strips, wheel hubs, husspindle and components of wheel of bicycles and motorcycles; shifter or bicycle gears, motor cycle gears, derailleur, freewheel or sprocket of bicycle and motorcycle, chainwheel, pedal, derailleur cable, hanger sprocket and crank arm of bicycle and motorcycle drive trains and gears; fork, handle bars, handle grips, handle stems, head set and its various components (cup, cone, star bolt, star cap), handle bar tape, handle bar end, steel ball, ball retainer or bearing steering component parts of bicycles and motorcycle; tools used in repairing and maintaining bicycles and motorcycles namely sprocket remover, cotterless extractor, chain cutter, open wrench, folding tool set, allen key, sealed b.b. axle remover, air pump, spoke wrench; parts of seat of motorcycle and bicycle namely seat post, saddle, seat clamp, saddle clamp, saddle bag and saddle cover; parts of motorcycle and bicycle brakes namely v-brake, canti-brake, caliper brake, disk brake, bond brake, brake shoe, v-brake pipe, v-brake rubber, brake lever, brake cable, cable roller; bicycle and motorcycle accessories namely lights, and flashing lights, basket, reflector, carrier, balancer, dynamo, air horn, electric horn, side mirror, step nut, stand, helmet, and water bottle cage under Class 12 of the International Classification of Goods.²

The Opposer alleges the following:

“1. The trademark APV being applied for by the Respondent-Applicant is identical with and confusingly similar to Opposer’s trademark APV, as to be likely, when applied to or used in connection with the goods of Respondent-Applicant, to cause confusion, mistake and deception on the part of the purchasing public.

“2. The registration of the trademark APV in the name of the Respondent-Applicant will violate Section 123.1, subparagraphs (d) and (e) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines and Section 6bis and other provisions of the Paris Convention for the Protection of Industrial Property to which the Philippines and Japan.

“3. The registration and use by Respondent-Applicant of the trademark APV will diminish the distinctiveness and dilute the goodwill of Opposer’s APV trademark. It will also forestall the normal potential expansion of Opposer’s business.

“4. The registration of the trademark APV in the name of Respondent-Applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

¹ The application was published in the Intellectual Property E-Gazette on 08 September 2009.

² The 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.

“In support of the opposition, Opposer will prove and rely upon the following facts, among others:

“1. Opposer is the owner of and/or registrant/applicant of the APV trademark in many trademark registries around the world for automobile, engines for automobile, tires for automobiles, wheels for automobiles, bumpers, spoilers, fenders, grilles, grille guards, bush guards, lamp stays, steps, rear ladders, under guards, tank guards, mud flaps, exhaust pipes, suspension shock absorbers, suspension springs, stabilizers, brake shoes, brake pads, brake hoses, wheel caps, wheel covers, differential gears, roof carriers, roof racks, roof boxes, steering bosses, horn buttons, transmissions, shift knobs, shift levers, foot rests, spare tire covers, safety bars, back down center garnish, side garnish, rear garnish, strut bars, lateral rods, engine mounts, sun shades, mirror cowlings, clutch covers, clutch disks, seat, seat belts in class 12.

By virtue of Opposer’s registration of the APV trademark in the Philippines and its prior registration, ownership and use of this trademark around the world, said trademark has therefore become distinctive of Opposer’s goods and business.

“2. The application for registration of the trademark APV by the Respondent-Applicant for use on similar and/or closely related goods under international class 12 will deceive and/or confuse purchasers into believing that Respondent-Applicant’s goods and/or products bearing the identical trademark APV emanate from or under the sponsorship of Opposer. Respondent-Applicant will be able to trade on Opposer’s goodwill.

“3. The allowance of Application Serial No. 4-2009-002774 in the name of Respondent-Applicant will be violative of the treaty obligations of the Philippines under the Paris Convention for the Protection of Industrial Property of which the Philippines and Japan are member-states.”

x x x

The Opposer’s evidence consists of the following:

1. Exhibit “A” - Authenticated Affidavit of Norio Yamada;
2. Exhibit “B” - Declaration of Actual Use for the mark APV;
3. Exhibit “C” - Schedule or List of Countries where the trademark APV has registration and/or pending application for registration;
4. Exhibits “D” to “D -19” - Certified true copies of Certificate of Registration of the trademark APV in Argentina, Australia, Barbados, Brunei, Chile, China, Colombia, Ecuador, Egypt, India, Indonesia, Malaysia, New Zealand, Pakistan, Peru, Puerto Rico, Singapore, Vietnam, Saudi Arabia and Brazil;
5. Exhibit “E” - Philippine Certificate of Registration No. 4-2004-010015 issued on 30 March 2009 ;
6. Exhibit “F” - samples of worldwide print brochures and advertising showing the product bearing the mark APV; and
7. Exhibit “G” - printouts from the website <http://www.suzuki.com.ph>

This Bureau issued on 22 January 2010 a Notice to Answer and served a copy thereof to the Respondent-Applicant on 08 March 2010. Respondent-Applicant, however, failed to file an Answer. Accordingly, this Bureau issued on 25 June 2010 the Order No. 2010-736 stating that the Respondent-Applicant has waived its right to file answer and that the case is submitted for decision.

Should the Respondent-Applicant be allowed to register the mark “APV” in its favor?

The essence of trademark registration is to give protection to the owner of the trademarks. The function of a trademark is to point out distinctly the origin or ownership of the article to which it is affixed, to secure to him, who has been instrumental in bringing into a 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 products.³

The Opposer anchors his opposition on Sec. 123.1 (e) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), which provides:

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

x x x x

(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 section 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;

In this regard, Rule 102 of the Trademark Regulations sets forth the criteria in determining whether a mark is a well-known mark, to wit:

- (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 publicly and the presentation, at fairs or exhibitions, of the goods and/ or services to which the mark applies;
- (b) The mark 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;
- (j) The records 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.

The rule requires that the party claiming a mark to be well-known satisfies at least a combination of the above stated criteria. In this case, while the Opposer submitted certificates of

³ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents*, 16 SCRA 495.

registration of the trademark APV in Argentina, Australia, Barbados, Brunei, Chile, China, Colombia, Ecuador, Egypt, India, Indonesia, Malaysia, New Zealand, Pakistan, Peru, Puerto Rico, Singapore, Vietnam, Saudi Arabia and Brazil including the Philippines⁴ and a few promotional brochures, a C! magazine, and pages of the Philippine Daily Inquirer and Philippine Star showing its promotion of its Suzuki APV⁵ and printouts from the website <http://www.suzuki.com.ph>.⁶ These are insufficient to declare the mark APV as an internationally well-known mark as it failed to show at least a combination of any of the criteria under the aforementioned rule.

The opposition, however, must be sustained. Sec. 123.1 (d) of the IP Code states that a mark cannot be registered if it:

x x 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;

The competing marks, as shown below, are identical:

A P V

Opposer's Mark

APV

Respondent-Applicant's Mark

Also, the competing marks are used on similar or closely related goods classified under Class 12. Opposer's products are similar or closely related to Respondent-Applicant's, namely, *tires, tubes, rim, rim tape, rim tape/rim strips, wheel hubs, hubspindle and components of wheel of bicycles and motorcycles; shifter or bicycle gears, motor cycle gears, derailleur, freewheel or sprocket of bicycle and motorcycle, chainwheel, pedal, derailleur cable, hanger sprocket and crank arm of bicycle and motorcycle drive trains and gears; fork, handle bars, handle grips, handle stems, head set and its various components (cup, cone, star bolt, star cap), handle bar tape, handle bar end, steel ball, ball retainer or bearing steering component parts of bicycles and motorcycle; tools used in repairing and maintaining bicycles and motorcycles namely sprocket remover, cotterless extractor, chain cutter, open wrench, folding tool set, allen key, sealed b.b. axle remover, air pump, spoke wrench; parts of seat of motorcycle and bicycle namely seat post, saddle, seat clamp, saddle clamp, saddle bag and saddle cover; parts of motorcycle and bicycle brakes namely v-brake, canti-brake, caliper brake, disk brake, bond brake, brake shoe, v-brake pipe, v-brake rubber, brake lever, brake cable, cable roller; bicycle and motorcycle accessories namely lights, and flashing lights, basket, reflector, carrier, balancer, dynamo, air horn, electric horn, side mirror, step nut, stand, helmet, and water bottle cage*". Thus, there is no doubt that the marks being identical and used on similar and closely related goods, confusion or deception of the consumers is likely to occur.

Considering, therefore, that at the time the Respondent-Applicant filed the opposed trademark application, the Opposer had an existing trademark application for the mark APV for use on goods that are similar or closely related to the goods on which the Respondent-Applicant

⁴ See Exhibits "D" to "D -19" and "E".

⁵ See Exhibit "F".

⁶ See Exhibit "G".

will use the mark APV. In fact, the Opposer's application was allowed and Certificate of Registration No. 4-2008-010015 was issued on 30 March 2009. Thus, the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

The Respondent-Applicant and the public is reminded that basic is the rule that as between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.⁷ The protection of trademarks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trademark is a merchandising shortcut, which induces a purchaser to select what, he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, due aim is the same -to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trademark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.⁸

WHEREFORE, premises considered the instant opposition to Trademark Application Serial No. 4-2009-002774 is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-2009-002774 be returned together with a copy of this DECISION to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 27 July 2010.

NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs
Intellectual Property Office

⁷ *Del Monte Corporation. et al. v. Court of Appeals*, G.R. No. 78325. 25 January 1990.

⁸ *Societe des Produits Nestle v. Court of Appeals*, G.R. No. 112012. 4 April 2001.