



HONDA MOTOR CO., LTD.,  
Opposer,

-versus-

TRANSHOW. COM, INC.,  
Respondent-Applicant.

IPC No. 14-2008-00189

Opposition to:

Application No. 4-2008-000437

Date filed: 14 January 2008

TM: "TYPE R"

**NOTICE OF DECISION**

**E.B. ASTUDILLO & ASSOCIATES**

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**MR. ROBERTSON SY**

For Respondent-Applicant  
Coating Industries Compound  
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**GREETINGS:**

Please be informed that Decision No. 2015 - 36 dated March 19, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 19, 2015.

For the Director:

  
**Atty. EDWIN DANILO A. DATING**  
Director III  
Bureau of Legal Affairs



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Trademark : **"TYPE R"**

Decision No. 2015 - 36

## DECISION

HONDA MOTOR CO., LTD., ("Opposer")<sup>1</sup> filed a verified opposition to Trademark Application Serial No. 4-2008-000437. The application, filed by TRANSHOW.COM, INC., ("Respondent-Applicant")<sup>2</sup>, covers the mark "TYPE R" for use of goods under the following classes and coverage of goods<sup>3</sup> namely: 02 - tint; 03 - car waxes, polish; 05 - car air freshener; 09 - cigarette lighter; 11 - bulb, car lights, side lamps, fender lights and light bar; 12 - car accessories namely sun visor, car sensor, roof rack, roof rail, stepboard, car alarm, central door lock, fuel lid liner, rain visor, fog light, wiper, cud & stand, tint, rear mirror, side view mirror, plate protector, plate screw, wiper washer, windshield washer, windshield washer with light, rear view mirror, rear back mirror, fender mirror, fog light & fog lamp, drink holder, reading lamp, pedal pad, cell phone holder, illusion light, seat cushion, auto seat cover, wiper up & wiper wing, sunglass holder, key chain, back rest, car cover, car matting, cigarette freshener, lug nuts & mug wheel lock, car antenna, auto gauge, wood steering wheel, leather steering wheel and other exterior & interior car accessories, car care products namely: car waxes, polish, chamois, tire black, car shampoo, sponge, protestants; and, 21 - tissue holder, chamois, sponge.

The Opposer alleges the following:

"1. The trademark TYPE R being applied for by respondent-applicant is identical to and confusingly similar with opposer's trademark TYPED R, 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 TYPE R in the name of respondent-applicant will violate Section 123 (e) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

"3. Being the owner of the internationally well-known mark TYPE R, opposer's right to file the instant opposition case against respondent-applicant is specifically provided for in Section 131.3 of the Intellectual Property Code of the Philippines.

"4. The world-famous mark TYPE R of opposer Honda Motor Co., Ltd. falls squarely within or completely satisfies the criteria for determining whether a mark is well-known under Rule 102

<sup>1</sup> A foreign corporation duly organized and existing under the laws of Australia with principal office address at 1 Fennell Street, Port Melbourne VIC 3207, Australia.

<sup>2</sup> With office address at 5th Floor, Globe Telecom Plaza, Tower 1, Pioneer corner Madison Streets, Mandaluyong City.

<sup>3</sup> The Nice Classification of goods and services is for registering trademark and service marks, based on a multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.



of the Rules and Regulations on Trademarks, Servicemarks, Tradenames and Marked or Stamped Containers dated October 29, 1998.

"5. The registration of the trademark TYPE R in the name of respondent-applicant will also violate section 6bis of the Paris Convention for the Protection of Industrial Property, to which the Philippines is a party having acceded thereto as early as September 27, 1965.

"6. The registration and use by respondent-applicant of the trademark TYPE R will diminish the distinctiveness and dilute the goodwill of opposer's identical trademark TYPE R.

"7. The registration of the trademark TYPE R in the name of respondent-applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

"In support of this opposition, opposer will prove and rely upon the following facts:

"1. Opposer is the owner of and/or registrant of and/or applicant in many trademark registration and/or applications of the trademark TYPE R, as well as the similar marks TYPE R (color), CIVIC TYPE-R, INTEGRA TYPE-R and ACCORD TYPE-R, around the world under International Class 12. x x x

"2. Likewise, the TYPE R trademarks of opposer Honda Motor Co. Ltd. are advertised and used around the world.

"3. By virtue of opposer's prior application and/or registration and ownership of the trademark TYPE R around the world, as well as their worldwide use and comprehensive advertisements and promotion, said trademark has therefore become distinctive of opposer's goods and business.

"4. Clearly, opposer's mark TYPE R is an internationally well-known mark as defined both by international convention and Philippine law.

x x x

"9. The trademark R of respondent-applicant Transhow.com, Inc. is identical to and confusingly similar with opposer's world-famous mark TYPE R.

"10. Moreover, opposer's marks are used and registered all over the world for goods under International Class 12, while respondent-applicant's goods belong to the same class 12 and/or closely related to goods under class 12.

"11. By adopting the same mark TYPE R for similar and related goods, that opposer Honda is internationally known for, it is obvious that respondent-applicant's intention is to 'ride-on' the goodwill of Honda and 'pass-off' its goods as those of Honda.

"12. A boundless choice of words, phrases, symbols are available to a person who wishes to have a trademark sufficient unto itself to distinguish its products from those of others. There is no reasonable explanation therefore for respondent-applicant to use TYPE R as its mark when the field for its selection is so broad.

"13. The registration and use of the identical mark TYPE R by respondent-applicant will deceive and/or confuse purchasers into believing that respondent-applicant's goods and/or products bearing said mark emanate from or are under the sponsorship of opposer Honda, applicant/owner /registrant of the trademark TYPE R around the world. This will therefore diminish the distinctiveness and dilute the goodwill of opposer's trademark TYPE R.



The Opposer's evidence consists of the following:

1. Exhibit "A" - Japanese Trademark Registration No. 5016906 for TYPE R color logo;
2. Exhibit "B" - Japanese Trademark Registration No. 5016895 for TYPE R logo;
3. Exhibit "C" - Community Trademark Registration No. 004374518 for TYPE R color logo;
4. Exhibit "D" - Community Trademark Registration No. 004f864419 for TYPE R;
5. Exhibit "E" - Page in Brazil Industrial Property Journal for Brazilian Trademark Registration No. 828273928 for TYPE R logo";
6. Exhibit "F" - Indian Trademark Application No. 1410443 for TYPE R logo;
7. Exhibit "G-1"-"G-27"- Foreign Trademark Registrations for the marks CIVIC Type-R, TYPE R, INTEGRA TYPE R, ACCORD Type-R, CIVIC Type-R;
8. Exhibit "H-1"-"H-11"- Advertisements and promotional materials for TYPE R;
9. Exhibit "I" - Notarized and legalized Affidavit-Testimony of Mikio Yoshimi;
10. Exhibit "J" - Honda's Corporate Profile for the year 2007;
11. Exhibit "K-1"-"K-14"- Photos of TYPE R as shown on Honda vehicles; and,
12. Exhibit "L-1"-"L-11" - Honda's advertising and promotional materials.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 29 September 2008. In fact, the latter requested for extension of time file its Answer<sup>4</sup>, which was granted by this Bureau in Order No. 2008-1601.<sup>5</sup> Despite this, Respondent-Applicant did not file its Answer nor any pleading in relation thereto. Thus, this instant case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark TYPE R?

It is emphasized that 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 out into the market a superior 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.<sup>6</sup>

Sec. 123.1 (d) of the IP Code provides:

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

<sup>4</sup> Filed 13 October 2008.

<sup>5</sup> Dated 16 October 2008.

<sup>6</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).

- (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 following marks are hereby reproduced for comparison:

ACCORD Type-R

CIVIC Type-R

TYPE **R**

TYPE **R**

Opposer's Trademarks

TYPE **R**

Respondent-Applicant's Trademark

The contending marks are identical, both carrying the word mark TYPE R, without substantial difference in their font and/or the manner of display. Moreover, the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's product particularly falling under Class 12. The other goods covered by the subject application are also related to the Opposer's goods since they are either used in motor vehicle maintenance, or made as its accessories. Thus, the goods flow on the same channels of trade and patronized by the same group of consumer. Thus, it is likely that the consumers will have the impression that these goods or products originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:<sup>7</sup>

<sup>7</sup>

Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.



Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Hence, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff which, in fact does not exist.

The public interest, therefore, requires that the two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. It is emphasized that the function of 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.<sup>8</sup>

It is stressed that the Philippines implemented the TRIPS Agreement when the IP Code took into force and effect on 01 January 1998. Art. 15 of the TRIPS Agreement reads:

Section 2: Trademarks  
Article 15  
Protectable Subject Matter

1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words, including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration of trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, members may make registrability depend on distinctiveness acquired through use. Member may require, as a condition of registration, that signs be visually perceptible.
2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provision of the Paris Convention (1967).
3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application.
4. The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.
5. Members shall publish each trademark either before it is registered or promptly after it is registered and shall afford a reasonable opportunity for petitions to cancel the registration. In addition, Members may afford an opportunity for the registration of a trademark to be opposed.



Article 16 (1) of the TRIPS Agreement states:

1. The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights prescribed above shall not prejudice any existing prior rights, not shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Sec. 121.1 of the IP Code adopted the definition of the mark under the old Law on Trademark (Rep. Act No. 166), to wit:

121.1. "Mark" means any visible sign capable of distinguish the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)

Sec. 122 of the IP Code states:

Sec. 122. How Marks are Acquired. - The rights in a mark shall be acquired through registration made validly in accordance with the provision of this law. (Sec. 2-A, R.A. No. 166a)

There is nothing in Sec. 122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in a mark shall be acquired through registration, which must be validly in accordance with the provision of the law.

Corollarily, Sec. 138 of the IP Code provides:

Sec. 138. Certificates of Registration. - A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. (Emphasis Supplied)

Clearly, it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators not to recognize the preservation of existing rights of trademark owners at the time the IP Code took into effect.<sup>9</sup> The registration system is not to be used in committing or perpetrating an unjust and unfair claim. A trademark is an industrial property and the owner thereof has property right over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership. The IP Code implements the TRIPS Agreement and therefore, the idea of "registered owner" does not mean that ownership is established by mere registration but that registration establishes merely a presumptive right of ownership. That presumption of ownership yields to superior evidence of actual and real ownership of the trademark and to the TRIPS Agreement requirement that no existing prior rights shall be prejudiced. In *E.Y. Industrial Sales, Inc. and Engracio Yap v. Shen Dar Electricity Machinery Co. Ltd.*<sup>10</sup>, the Supreme Court held:

<sup>9</sup> See Sec. 236, IP Code.  
<sup>10</sup> G.R. No. 184850, 20 October 2010.



RA 8293 espouses the "first-to-file" rule as stated under Sec. 123.1(d) which states:

x x x

Under this provision, the registration of a mark is prevented with the filing of an earlier application for registration. This must not, however, be interpreted to mean that ownership should be based upon an earlier filing date. While RA 8293 removed the previous requirement of proof of actual use prior to the filing of an application for registration of a mark, proof of prior and continuous use is necessary to establish ownership of a mark. Such ownership constitutes sufficient evidence to oppose the registration of a mark.

Sec. 134 of the IP Code provides that "any person who believes that he would be damaged by the registration of a mark x x x" may file an opposition to the application. The term "any person" encompasses the true owner of the mark, the prior and continuous user.

Notably, the Court has ruled that the prior and continuous use of a mark may even overcome the presumptive ownership of the registrant and be held as the owner of the mark. As aptly stated by the Court in *Shangri-la International Hotel Management, Ltd. v. Developers Group of Companies, Inc.*

Registration, without more, does not confer upon the registrant an absolute right to the registered mark. The certificate of registration is merely a prima facie proof that the registrant is the owner of the registered mark or trade name. Evidence of prior and continuous use of the mark or trade name by another can overcome the presumptive ownership of the registrant and may very well entitle the former to be declared owner in an appropriate case.

In this instance, the Opposer proved that it is the owner of the contested mark. It has submitted evidence relating to the origin and history of its TYPE R<sup>11</sup> mark. The Opposer likewise proved its ownership through the certificates of trademark registration in various foreign jurisdictions<sup>12</sup>, and the world wide advertisement and promotional materials for TYPE R mark.<sup>13</sup>

In contrast, Respondent-Applicant did not give sufficient explanation in adopting and using the identical trademark TYPE R. The said mark is unique and highly distinctive with respect to the goods it is attached with. It is incredible for the Respondent-Registrant to have come up with the same mark practically for similar goods by pure coincidence.

Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why, of the million of terms and combination of letters and designs available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.<sup>14</sup>

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

<sup>11</sup> Exhibits "I" and "J" of Opposer.

<sup>12</sup> Exhibits "A", "B", "C", "D", "E", "F" and "G-1" to "G-27".

<sup>13</sup> Exhibits "H" to "H-11", "I" and "L-1" to "L-11".

<sup>14</sup> *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 February 1970.



**WHEREFORE**, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2008-000437 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 19 March 2015.

  
**Atty. NATHANIEL S. AREVALO**  
*Director IV, Bureau of Legal Affairs*