



Republic of the Philippines  
**Court of Appeals**  
Manila

**SPECIAL SIXTH DIVISION**

**HONDA MOTOR CO., LTD.,**  
*Petitioner,*

**CA-G.R. SP No. 128546**

- versus -

Members:

\*LANTION, J.A.C.,  
*Acting Chairperson*  
\*\*BARRIOS, M.M., and  
*ANTONIO-VALENZUELA, N.G. JJ*

**RICARDO R. BLANCAFLOR, IN  
HIS CAPACITY AS DIRECTOR  
GENERAL AND LENY B. RAZ, IN  
HER CAPACITY AS DIRECTOR OF  
THE BUREAU OF TRADEMARKS  
OF THE INTELLECTUAL  
PROPERTY OFFICE OF THE  
PHILIPPINES,**

Promulgated:

27 January 2016

*Respondents.*

---

**DECISION**

*ANTONIO-VALENZUELA, J.:*

This is the appeal via the Petition for Review<sup>1</sup> questioning the Decision dated 21 January 2013 (“assailed Decision”) of the Intellectual Property Office of the Philippines (“IPO”), signed by Director General Ricardo R. Blancaflor (“respondent Blancaflor”).

---

\* Vice J. Lampas Peralta per Office Order No. 23-16-RSF dated January 22, 2016.

\*\* Acting Senior Member per Office Order No. 23-16-RSF dated January 22, 2016.

1 C.A. Rollo, p. 12.

## THE FACTS

The facts are as follows: the Honda Motor Co. Ltd. ("petitioner Honda") filed the Trademark Application No. 4-2006-003523<sup>2</sup> seeking to register the mark "the three-dimensional device consisting of a general purpose engine with a cylinder barrel slanted 25 degrees, the muffler and air cleaner arranged side by side, creating a straight line perpendicular to the air cleaner, mounted on top of the fuel tank, with the starter/recoil case in front creating a compact look" ("subject mark"), allegedly for use on "motors and engines (except for land vehicles), generators of electricity, and water pumps, machines and machine tools; machine couplings and transmission components (except for land vehicles); agricultural implements other than hand-operated; law mowers; incubators for eggs; and parts and fittings for the above-mentioned goods included in this class."

The Examiner In Charge issued the registrability report stating that the subject mark could not be registered because it was likely to mislead the public, particularly as to the nature, quality, characteristics, or geographical origin of the goods or services (and citing Section 123.1 of the Intellectual Property Code of the Philippines).

Petitioner Honda filed the response to the registrability report.

Later the Examiner In Charge issued Paper No. 08<sup>3</sup> stating that the subject mark could not be registered because it had no distinguishing element.

Petitioner Honda filed the response to Paper No. 08.

Then, the Examiner In Charge issued the Final Rejection,<sup>4</sup> indicating the final rejection of the application for registration of the subject mark on the following grounds: subject mark was generic for the goods it sought to distinguish and identify (hence could not be registered pursuant to Section 123.1[h] of the Intellectual Property Code); subject mark was not distinctive (hence was not consonant with Section 121.1 of the Intellectual Property Code); the subject mark did not bear distinguishing factors to consumers

---

2 C.A. Rollo, p. 393.

3 C.A. Rollo, p. 120.

4 C.A. Rollo, p. 111.

(hence could not be registered pursuant to Section 123.1 [h] of the Intellectual Property Code).

The petitioner Honda appealed to the Bureau of Trademarks.

The Bureau of Trademarks, through Director Leny Raz ("respondent Raz"), issued the Decision<sup>5</sup> denying the appeal, and sustaining the Final Rejection. The Bureau of Trademarks Decision ruled that the subject mark was not registrable because subject mark was not a valid source indicator.

The petitioner Honda appealed to the IPO. The IPO dismissed the appeal. The IPO ruled that: the subject mark could not be registered because it had no distinctive features and did not point to the petitioner Honda as the owner; contrary to petitioner Honda's allegation, the subject mark was not a representation of an engine that had acquired a secondary meaning that was registrable under Section 123.2 of the Intellectual Property Code.

Thus this appeal, petitioner Honda identifying the following issues:

#### ISSUES

##### I.

**WHETHER OR NOT THE DIRECTOR GENERAL  
ERRED IN RULING THAT PETITIONER'S MARK IS  
NOT DISTINCTIVE.**

##### II.

**WHETHER OR NOT THE DIRECTOR GENERAL  
ERRED IN RULING THAT PETITIONER'S MARK  
DOES NOT POINT OUT TO THE LATTER AS ITS  
OWNER.**

##### III.

**WHETHER OR NOT THE DIRECTOR GENERAL  
ERRED IN RULING THAT PETITIONER'S MARK IS  
A REPRESENTATION OF AN ENGINE DEVICE AND  
ITS CONFIGURATION IS SIMILAR IF NOT**

---

<sup>5</sup> C.A. Rollo, p. 68.

**IDENTICAL WITH OTHER ENGINE DEVICES  
BELONGING TO DIFFERENT PROPRIETORS.**

**IV.**

**WHETHER OR NOT THE DIRECTOR GENERAL  
ERRED IN RULING THAT THE PETITIONER'S  
MARK DID NOT ACQUIRE SECONDARY  
MEANING.**

The issue is whether the IPO erred when it ruled that the subject mark could not be registered.

***PETITION FOR REVIEW***<sup>6</sup>

The petitioner Honda answers in the affirmative. The IPO erred when it ruled that the subject mark could not be registered.

The Petition<sup>7</sup> thrusts that the subject mark could be registered because: three-dimensional marks, like the subject mark, are registrable in the Philippines; the subject mark had been registered in other countries, proving that the subject mark had the character of “distinctiveness” hence it was registrable; subject mark was not generic for all engines, but pertained only to engines made by petitioner Honda; the subject mark identified petitioner Honda as its owner; subject mark was not a representation of any engine, rather it had a distinctive configuration different from other brands of engines; the subject mark had acquired secondary meaning, since petitioner Honda had used the subject mark exclusively and continuously in the Philippines for five years.

***COMMENT (Re: Petition for Review Dated 25 February 2013)***<sup>8</sup>

The IPO through the Office of the Solicitor General answers in the negative. The IPO did not err when it ruled that the subject mark could not be registered.

The Comment (Re: Petition for Review dated February 25, 2013)<sup>9</sup>

<sup>6</sup> C.A. Rollo, p. 12.

<sup>7</sup> *Ibid.*

<sup>8</sup> C.A. Rollo, p. 444.

<sup>9</sup> *Ibid.*

parries that the subject mark could not be registered because: subject mark was not distinctive *i.e.* it was generic to the engines it sought to identify and it was a representation of an engine which is similar to other engines made by other manufacturers; subject mark was not unique in that it did not automatically indicate the engine's origin (rather it is the name "Honda" that is the source identifier); trademark protection is territorial (so that the fact that the subject mark was already registered in other countries did not justify the registration of the subject mark in the Philippines); subject mark had no distinctive feature; subject mark was generic; the doctrine of secondary meaning was not applicable because there was no showing that petitioner Honda had used the subject mark so long and exclusively, that the subject mark had come to mean that the device was petitioner Honda's property.

### THE COURT'S RULING

We rule in the negative. The IPO did not err when it ruled that the subject mark could not be registered.

The subject mark was not distinctive. Thus the subject mark could not be registered.

Under Section 121.1<sup>10</sup> of the Intellectual Property Code ("IPCode"), a distinctive mark is that mark or visible sign capable of distinguishing the goods (trademark) or the services (service mark) of an enterprise and shall include a stamped or marked container of goods. A distinctive trademark is that trademark which is used by a manufacturer or merchant on his goods to identify and distinguish them from those manufactured, sold, or dealt by others.<sup>11</sup> A trademark device is susceptible to registration if it is crafted fancifully or arbitrarily and capable of identifying and distinguishing the goods of one manufacturer or seller from those of another. Apart from its commercial utility, the benchmark of trademark registrability is distinctiveness. Thus, a generic figure, if employed and designed in a distinctive manner, can be a registrable trademark device subject to the provisions of the Intellectual Property Code.<sup>12</sup> A mark is valid if it is distinctive and hence not barred from registration under the Trademark Law.<sup>13</sup>

10 Section 121.1. "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods.

11 *Dermaline Inc. v. Myra Pharmaceuticals Inc.*, G.R. No. 190065, 16 August 2010.

12 *Great White Shark Enterprises Inc. v. Caralde Jr.*, G.R. No. 192294, 21 November 2012.

13 *McDonalds Corporation v. Macjoy Fastfood Corporation*, G.R. No. 169440, 23 November 2011.

In this case, the subject mark could not distinguish the goods of petitioner Honda from the goods of the competitors. The subject mark could not point out the origin of the goods to which it was attached. The subject mark did not point to the petitioner Honda as the subject mark's origin, or owner of the goods (*i.e.* motors and engines) on which the subject mark was to be affixed.

A person comparing the subject mark with other engine devices affixed on other manufacturers' goods, will not automatically consider the subject mark as manufactured by petitioner Honda, because the subject mark was a mere representation of an engine whose configuration was very similar to other engines made by other manufacturers. The subject mark sought to be registered did not differ significantly in appearance when placed side by side the engines of other manufacturers. Mere difference in placement or arrangement, without any aesthetic purpose, and where placed merely for functional and technical purpose to serve the functions and purpose of an engine, could not be considered as distinctiveness.

The subject mark did not acquire secondary meaning. Thus it could not be registered.

Applicable is Section 123.2 of the IPCode, which reads:

As regards signs or devices mentioned paragraphs (j), (k), and (l), nothing shall prevent the registration of any such sign or device which has become distinctive in relation to the goods for which registration is requested as a result of the use that have been made of it in commerce in the Philippines. The Office may accept as prima facie evidence that the mark has become distinctive, as used in connection with the applicant's goods or services in commerce, proof of substantially exclusive and continuous use thereof by the applicant in commerce in the Philippines for five (5) years before the date on which the claim of distinctiveness is made.

Thus, in order to conclude that a sign or device has acquired secondary meaning hence can be registered, the following elements must be present: (1) the secondary meaning must have arisen as a result of substantial commercial use of a mark in the Philippines; (2) such use must

result in the distinctiveness of the mark insofar as the goods or the products are concerned; and (3) proof of substantially exclusive and continuous commercial use in the Philippines for five (5) years before the date on which the claim of distinctiveness is made.

Petitioner Honda did not prove the three elements that would lead to the conclusion that the subject mark had acquired secondary meaning hence could be registered.

The first element was absent. The petitioner Honda did not prove that the secondary meaning has arisen as a result of the petitioner Honda's substantial use of the subject mark in the Philippines.

The petitioner Honda did not prove that there was a mental recognition in the consumers' and the potential consumers' minds that the subject mark is associated or originated from the petitioner Honda.<sup>14</sup> There was no showing that as a result of the substantial use of petitioner Honda of the subject mark, the consumer would automatically consider the subject mark as manufactured by the petitioner Honda. Thus, no secondary meaning has arisen.

The second element was absent. The petitioner Honda's use of the subject mark in the Philippines did not result in the distinctiveness of the subject mark insofar as the goods or the products are concerned.

The subject mark is not distinctive as the subject mark could not distinguish the goods of petitioner Honda from the goods of other manufacturers. The subject mark could not point out to the petitioner Honda as the source or origin of the goods.

The third element was absent. The petitioner Honda did not use the subject mark in a substantially exclusive and continuous commercial use in the Philippines for five (5) years before the date on which the claim of distinctiveness is made.

The petitioner Honda alleged that it had been using the subject mark for 16 years already. However, mere use for a long period of time is

---

<sup>14</sup> *Shang Properties Realty Corp. v. St. Francis Development Corp.*, G.R. No. 190706, 21 July 2014.

insufficient. The law requires that petitioner Honda should have used the subject mark in a substantially exclusive, continuous, and commercial use in the Philippines, for at least five years.

The petitioner Honda did not use the subject mark in a substantially exclusive manner, as other manufacturers had been using the same mark (*i.e.* the parts of the subject mark are similar in appearance, color, and shape as those produced by other manufacturers and vary simply in arrangement). Such use is not enough to claim exclusivity in the use of the subject mark.

Absent evidence of the character of use as required by the law, we cannot conclude that subject mark has acquired a secondary meaning.

We **DISMISS** the appeal.

**IT IS SO ORDERED.**

*Original Signed*  
**NINA G. ANTONIO-VALENZUELA**  
*Associate Justice*

WE CONCUR:

*Original Signed*  
**JANE AURORA C. LANTION**  
*Associate Justice*

*Original Signed*  
**MANUEL M. BARRIOS**  
*Associate Justice*



## **CERTIFICATION**

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

*Original Signed*  
**JANE AURORA C. LANTION**  
*Associate Justice*  
*Acting Chairperson, Special Sixth Division*