

NISSHINBO HOLDINGS, INC.,
Opposer,

-versus-

JOSE AGUSTIN DEE,
Respondent- Applicant.

X-----X

} **IPC No. 14-2011-00258**
}
} Opposition to:
} Appln. Serial No. 4-2010-011133
} Date Filed: 11 October 2010
} **TM: "NISSHINBO"**
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}

NOTICE OF DECISION

A.Q. ANCHETA & PARTNERS
Counsel for the Opposer
Suite 1008-1010, Paragon Plaza Building
162 EDSA cor. Reliance Street
Mandaluyong City


JOSE AGUSTIN DEE
Respondent-Applicant
No. 68 Mariano Cuenco Street
Sta. Teresita, SMH., Quezon City

GREETINGS:

Please be informed that Decision No. 2016 - 205 dated June 30, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 30, 2016.

For the Director:


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

NISSHINBO HOLDINGS, INC.,
Opposer,
-versus-
JOSE AGUSTIN DEE,
Respondent-Applicant.
x-----x

IPC No. 14-2011-00258

Opposition to:
Application No. 4-2010-011133
Date Filed: 11 October 2010
Trademark: "NISSHINBO"

Decision No. 2016- 205

DECISION

NISSHINBO HOLDINGS, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2010-011133. The application, filed by Jose Agustin Dee² ("Respondent-Applicant"), covers the mark "NISSHINBO" for use on "ball joint, battery relay, bell brank, bendix drive, automotive brake disc pad, brake disc plate, brake disc rotor, automotive brake shoe, brake shoe adjuster, brake disc, brake plate hub assembly, brake hose, brake drum, brake master assembly, brake master kit, brake disc caliper assembly, brake disc caliper kit, camshaft assembly, camshaft busing, clutch cable, clutch cover, clutch disc, clutch master assembly, clutch master kit, clutch operating assembly, clutch shave assembly, clutch slave kit, brake and clutch cylinder cup kit, cross joint, main bearing, con rod bearing, thrust washer, piston pin busing, steering joint assembly, king pin set, king pin kit, knuckle arm, leak-off pipe, liner o-ring, magwheel nut, nozzle washer, oil filter cap, oil seal, oil and alternator hose, PCVV valve, piston assembly, piston rings, pitman arm, power steering kit, priming pump, rack and pinion seal kit, radiator cap, radiator hose, release bearing, rocker arm, rubber arm, shock absorber (struts) repair kit, coil spring, suspension bushings, shock mounting, speedometer cable; stabilizer link rod, stabilizer link, cylinder liner, valve guide, valve seal, valve seat ring, voltage regulator, IC voltage regulator, water pump assembly, water pump pipe, water pump seal kit, wheel cylinder, wheel cylinder rubber cup, wheel cylinder rubber cup kit" under Class 12 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
"GROUNDS FOR THE OPPOSITION"

"(1) The trademark 'NISSHINBO' so resembles the mark 'NISSHINBO (stylized) & Design' owned by the Opposer, registered with this Honorable Office long before the application for 'NISSHINBO' was filed by the Respondent-Applicant. The

¹A corporation duly organized under the laws of Japan, with principal office address at 2-31-11, Ningyo-cho, Nihonbashi, Chuo-ku, Tokyo 103-8650, Japan.

²With address at No. 68 Mariano Cuenco St., Sta. Teresita, Quezon City.

³The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

trademark 'NISSHINBO' which is being applied for registration by Respondent-Applicant will likely cause confusion, mistake, and deception on the part of the purchasing public, most especially considering that the opposed trademark 'NISSHINBO' is used on 'spare parts for land vehicles' under class 12 as compared with the opposer's goods namely - 'brakes and clutches for land vehicles and their parts' also in class 12 which are similar and closely related.

"(2). The registration of the trademark 'NISSHINBO' in the name of the Respondent-Applicant will violate Sec. 123 of Republic Act No. 8293 otherwise known as the Intellectual Property Code of the Philippines, particularly pars. (d), (e) and (f) which provides, in part, that a mark cannot be registered if it: x x x

"(3) Opposer will be damaged in its proprietary rights/interest and business reputation by the Respondent-Applicant's use and registration of the trademark 'NISSHINBO' considering that the Opposer's mark which was previously registered has long been established and has obtained tremendous goodwill and consumer recognition not only in the Philippines but internationally as well. The distinctiveness of said well-known mark will be diluted or diminished and will allow Respondent-Applicant to unfairly benefit from and get a free ride on the goodwill of the Opposer's well-known mark, thereby causing irreparable injury to the latter.

"(4) The Respondent-Applicant acted in bad faith when it filed its application for the registration of the mark 'NISSHINBO' having been aware of the prior existence of the Opposer's mark and tradename 'NISSHINBO'. Of all the words in the dictionary, why did respondent-Applicant chose 'NISSHINBO' unless it intends to ride on the popularity of the Opposer's mark or to pass to the buying public its products as that of the Opposer? Based on the IPO TM database, a copy of which is hereto attached as Exhibit 'J', the Respondent-Applicant has shown his propensity to appropriate well-known marks without authorization from their legitimate owners.

"(5) Japan, the country where the Opposer is a subject, is a member of the Convention of Paris for the Protection of Industrial Property and the World Trade Organization (WTO). It is also a signatory to the Trade Related Aspects of Intellectual Property Rights Agreement (TRIPS). If respondent-Applicant's trademark application No. 4-2010-011133 for 'NISSHINBO' is allowed to proceed to registration, the provisions of the Intellectual Property (IP) Code of the Philippines will not only be violated but also the commitment of the Philippines to the international community through its accession to the Paris Convention and membership with the World Trade Organization (WTO) and as signatory to the Trade Related Aspects of Intellectual Property Rights Agreement (TRIPS).

"(6) That the respondent-applicant's mark 'NISSHINNO' constitutes the tradename of herein Opposer. As such, this tradename should be protected pursuant to Art. 8 of the Paris Convention and Section 165 of the new IP Code.

"FACTS TO BE RELIED UPON

"In support of this Opposition, Opposer will rely upon and prove the following facts:

"(1) Opposer is the prior adopter, user and registered owner of the internationally well-known trademark 'NISSHINBO & DESIGN', its history dating as far

back as 1988; In fact, Opposer has sold its products bearing the mark 'Nisshinbo' in Metro Manila as well as Cebu City thru its various local outlets as per attached list and marked hereto as Exhibit 'A'.

"(2) 'NISSHINBO' has been one of Opposer's most successful brands for several decades. Today, 'NISSHINBO' is one of the major brands of Opposer.

"(3) Opposer's well-known mark, 'NISSHINBO (stylized) and Design' is registered with the Intellectual Property Office (IPO) of the Philippines, under Certificate of Registration No. 055812 issued on August 18, 1993 for 'brakes and clutches for land vehicles and their parts' in class 12 a certified copy of which is hereto attached as Exhibit 'B';

"(4) Opposer has obtained and continues to obtain registrations for its well-known trademark 'NISSHINBO & DESIGN' from the Intellectual Property Offices of various countries around the world. Attached as Exhibit 'C' is a Registration List of the mark 'NISSHINBO' in several countries of the world. Also attached are some copies of the foreign registrations in the name of the Opposer of the mark NISSHINBO, some of which are certified and hereto marked as Exhibits 'C-1 to C-18;

"(5) Opposer's internationally well-known mark 'NISSHIBNO & DESIGN' has long become distinctive of the goods of the Opposer through the latter's long and exclusive use thereof in international commerce. In the global market for 'brakes and clutches for land vehicles and their parts,' the mark 'NISSHIBNO' is the world leader.

"(6) The registration of the trademark 'NISSHIBNO' in the name of Respondent-Applicant will violate the following provisions of R.A. 8293, to wit: Section 123.1 (d), (e) and (f), which provides: x x x

"(7) The mark 'NISSHINBO' used or applied in the goods of Respondent-Applicant is confusingly similar to Opposer's tradename and well-known mark 'NISSHINBO & DESIGN' which are covered by Certificates of Registration issued by the Intellectual Property Office of the Philippines and in other foreign countries. Opposer's mark 'NISSHINBO' is therefore entitled to protection being its tradename pursuant to Art. 8 of the Paris Convention and for being well-known, not only in the Philippines, but internationally as well.

"(8) Indeed, the confusing similarity between Respondent-Applicant's 'NISSHINBO' mark and the internationally well-known trademark 'NISSHINBO & DESIGN' of Opposer is likely to deceive the purchasers of goods on which the mark is being used, not only as to the origin or sponsorship of said goods, but also as to their nature, quality and characteristics to which the mark is affixed.

"(9) The confluence of circumstances can point to no other conclusion other than Respondent-Applicant's intention to ride on the goodwill that Opposer has created for its mark, and/or Respondent-Applicant's intention to confuse the public as to the origin of its goods. This malicious intent to ride on the goodwill that Opposer has established for its registered mark is evident from the goods for which Respondent-Applicant's mark 'NISSHINBO' is to be applied i.e. 'for spare parts of land vehicles' in class 12;

“(10) With millions of word combinations that Respondent-Applicant could have come up with, it still chose the mark ‘NISSHINBO’, which is very similar to the Opposer’s well-known mark ‘NISSHINBO’. The inescapable conclusion is that Respondent-Applicant adopted the ‘NISSHINBO’ mark to ‘ride on the coattails’ of the more established ‘NISSHINBO’ mark of Opposer.

“(11) In the international market, and also in the Philippines, Opposer has long acquired immense and valuable goodwill on the ‘NISSHINBO’ mark, resulting from the enormous sums of money spent in advertising and promoting said well-known mark.

“(12) Opposer maintains the websites www.nisshinbo.co.jp/english/index.html where information about the company’s history, range of product, research and development efforts, among others, are all outlined for easy access by consumers all over the world. Attached as Exhibit ‘D’ to ‘D-5’ are various printouts of the relevant web pages relative to the aforementioned information;

“(13) Opposer’s distribution network is so widespread, such that by simply surfing and clicking the Opposer’s well-known mark in the internet, several sites will reveal information or advertising showing of Opposer’s products bearing the ‘NISSHINBO’ trademark.

“(14) Attached as Exhibits ‘E to E-3’ are samples of advertising and promotional materials showing use of the ‘NISSHINBO’ mark and its variant ‘nb & Design’.

“(15) Attached as Exhibits ‘F to F-3’ are sample labels and literatures showing the use of the mark ‘NISSHINBO & DESIGN’ in the Philippines and worldwide.

“(16) Attached as Exhibits ‘G’ are pages downloaded from the www.nisshinbo.co.jp/english/index.html website showing a general indicator of the worldwide recorded sales for products sold bearing the internationally well-known mark ‘NISSHINBO’

“(17) As earlier stated, Opposer has spend considerable amount of money in advertising and promoting its products bearing the mark ‘NISSHINBO & DESIGN’ and this aggressive marketing strategy has resulted in substantial sales for the goods bearing the ‘NISSHINBO & DESIGN’ trademark. The annual sales for the last five (5) years are estimated as follows: x x x

“(18) Attached as Exhibit ‘H’ is the Affidavit-Direct Testimony of Shizuka Uzawa, the President/Representative Director, attesting to the ownership of the mark ‘NISSHINBO’ by the Opposer, and the pervasive presence in the Philippines of the Opposer’s goods using the mark ‘NISSHINBO & DESIGN’.

“(19) There is no doubt that Opposer’s mark ‘NISSHINBO & DESIGN’ is internationally well-known in accordance with the criteria for well-knownness as set forth in RA 8293 and under Rule 102 of the Trademark Regulations. In Japan, the mark ‘NISSHINBO’ is one of the famous Trademarks as shown in the attached 3rd Edition of the Famous Trademarks in Japan and marked as Exhibit ‘I’. Hence, pursuant to R.A. 8293, the relevant Philippine jurisprudence, The Paris Convention, and the TRIPS Agreement, the Government of the Republic of the Philippines, through the Intellectual

Property Office is mandated to protect Opposer's trademark by rejecting all applications for the registration of identical or confusingly similar marks like the respondent-applicant's mark 'NISSHINBO' in class 12.

"(20) Opposer will be damaged in its proprietary rights/interest and business reputation by the registration of the mark 'NISSHINBO' in the name of Respondent-Applicant considering that Opposer's well-known mark has long been established and has obtained goodwill and consumer recognition not only in the Philippines, but internationally as well. The distinctiveness of said well-known mark will be diluted, and will allow Respondent-Applicant to unfairly benefit from and get a free ride on the goodwill of Opposer's well-known mark, thereby causing irreparable injury to the Opposer.

"(21) By reason of the well known-ness of Opposer's 'NISSHINBO' mark, internationally and in the Philippines, the registration of Respondent-Applicant's 'NISSHINBO' mark will create confusion in the minds of purchasers and consumers, who will be deceived into believing that Opposer and Respondent-Applicant are affiliated entities, or that Respondent-Applicant has the sponsorship of the Opposer, to the latter's great prejudice. In fact, the outcome of this confusion may be lethal since the goods are brakes and clutches for land vehicles and their parts, which are vital parts for control of land vehicles and slight difference in size and quality can make vehicles behave in unintended way or make it uncontrollable.

"(22) In view of the foregoing, Respondent-Applicant's trademark application for 'NISSHINBO' under Application Serial No. 4-2010-011133 filed on October 11, 2010 covering goods in Class 12 specifically 'spare parts for land vehicles in the name of JOSE AGUSTIN DEE should be denied, in accordance with Section 123.1 (d), (e) and (f) of RA 8293.

"(23) Opposer reserves the right to present other evidence in support of its claims and allegations and such other facts as may be necessary in the course of these proceedings.

The Opposer's evidence consists of a list of Opposer's various local outlets; a copy of Certificate of Registration No. 055812 for the mark "NISSHINBO (stylized) and Design" issued on 18 August 1993; a registration list of the mark "NISSHINBO" in several countries of the world; copies of foreign registrations in the name of Opposer of the mark "NISSHINBO"; various printouts of the relevant web pages relative to the information about Opposer's history, range of product, research and development efforts etc.; samples of advertising and promotional materials showing use of the "NISSHINBO" mark and its variant "nb & Design"; sample labels and literatures showing the use of the mark "NISSHINBO & DESIGN" in the Philippines and worldwide; pages downloaded from the www.nisshinbo.co.jp/english/index.html website showing a general indicator of the worldwide recorded sales for products sold bearing the mark "NISSHINBO"; the Affidavit-Direct Testimony of Shizuka Uzawa, the President/Representative Director of Opposer; and excerpt from the book "Famous Trademarks in Japan, the third edition" published by AIPPI Japan.⁴

⁴Marked as Exhibits "A" to "I", inclusive.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 15 August 2011. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark NISSHINBO?

The Opposer anchors its opposition on Section 123.1, paragraphs (d), (e) and (f) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.Registrability. – 123.1. 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;"
- (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 sector 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;
- (f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or service which are not similar to those with respect to which registration is applied for: *Provided*, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use;

Records show that at the time the Respondent-Applicant filed his trademark application on 11 October 2010, the Opposer was previously issued trademark registration for "NISSHINBO (stylized) and Design" under Trademark Reg. No. 055812 issued on 18 August 1993. The registration covers "brakes and clutches for land vehicles and their parts" in Class 12. This Bureau noticed that the goods covered by the Respondent-Applicant's trademark application is identical and/or closely-related to the Opposer's.

Hence, the question, does NISSHINBO resemble Opposer's trademark NISSHINBO (stylized) and Design such that confusion or deception is likely to occur? The competing marks are shown below:

NISSHINBO

NISSHINBO

Opposer's trademark

Respondent-Applicant's mark

The marks are obviously identical and used on similar and/or closely related goods, particularly, automotive parts or products in Class 12. Thus, it is likely that the consumers will have the impression that these goods 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:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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. Here, 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 and defendant which, in fact does not exist.⁵

Public interest therefore requires, that 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 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 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.⁶ This Bureau finds that the Respondent-Applicant's mark does not meet this function.

⁵ Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al., G.R. No. L-27906, 08 Jan. 1987.

⁶ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999, citing *Ethepe v. Director of Patents*, supra, *Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

Also, Opposer has been using NISSHINBO as trade name or business name since 1988. As a trade name, NISSHINBO is protected under Section 165 of the IP Code, to wit:

Sec. 165. *Trade Names or Business Names.* - 165.1. A name or designation may not be used as a trade name if by its nature or the use to which such name or designation may be put, it is contrary to public order or morals and if, in particular, it is liable to deceive trade circles or the public as to the nature of the enterprise identified by that name.

165.2.(a) Notwithstanding any laws or regulations providing for any obligation to register trade names, such names shall be protected, even prior to or without registration, against any unlawful act committed by third parties.

(b) In particular, any subsequent use of the trade name by a third party, whether as a trade name or a mark or collective mark, or any such use of a similar trade name or mark, likely to mislead the public, shall be deemed unlawful.

165.3. The remedies provided for in Sections 153 to 156 and Sections 166 and 167 shall apply *mutatis mutandis*.

165.4. Any change in the ownership of a trade name shall be made with the transfer of the enterprise or part thereof identified by that name. The provisions of Subsections 149.2 to 149.4 shall apply *mutatis mutandis*.

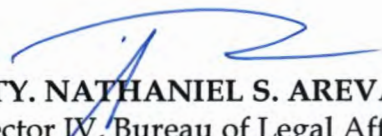
Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.⁷

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.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2010-011133 is hereby SUSTAINED. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 30 JUN 2016.


ATTY. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

⁷ *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.