

BRIDGESTONE CORPORATION,
Opposer,

-versus-

HEJIA QING

Respondent-Applicant.

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IPC No. 14-2011-00234

Opposition to :

Appln. No. 4-2010-013552

Date Filed: 14 December 2010

TM : "MAXSTONE"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2016 - 357 dated October 05, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 05, 2016.

MARILYN F. RETUTAL

IPRS IV

Bureau of Legal Affairs

Republic of the Philippines
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} **IPC NO. 14- 2011-00234**

} Opposition to:

} Application No. 4-2010-013552

} Date filed : 14 December 2010

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} Trademark **MAXSTONE**

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x-----x } Decision No. 2016- 357

DECISION

BRIDGESTONE CORPORATION¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2010-013552. The application filed by HE JIA QING² ("Respondent-Applicant"), covers the mark "MAXSTONE" for "motorcycle and/or land vehicles parts, namely tires, tire chains, pneumatic tires and inner tubes, spare tire carriers, tire inflators [hand pumps for bicycles or other vehicles tires], valve stems for vehicle tires, tire liners " under class 12 of International Classification of Goods and Services.³

The Opposer relies on the following grounds in support of the opposition:

"a. 'MAXSTONE' cannot be registered under **Section 23.1 (d) of Republic Act No. 8293** or the Intellectual Property Code ('IP Code') for being confusingly similar to BRIDGESTONE, a trademark which has been registered in the Philippines since 1988 and used in the Philippines since 1984. Opposer's 'FIRESTONE' trademark has registered in the Philippines as early as 1966.

"b. MAXSTONE unlawfully appropriates the 'STONE' element of the trademark BRIDGESTONE and FIRESTONE. Also owned by Opposer, such that when MAXSTONE is used in connection with tires and related goods in International Class 12, relevant consumers will likely be confused as to the origin of the goods. In the case of **Bridgestone Corporation versus Richard UY, Decision 2008-48**, the BLA Director denied the registration of RIVERSTONE ruling that the suffice "STONE" is a protected element of the BRIDGESTONE and FIRESTONE trademarks and

¹ A foreign corporation duly organized and existing under the laws of Japan, with principal office at 10-1 Kyobashi 1-Chome, Chuo-ku Tokyo, Japan.

² With address at 2195 Leveriza St. Pasay City

³ The 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.



the use of "STONE" will lead to confusion as to source of goods. In a subsequent case, **Bridgestone Corp. versus Shandong Chengshan Tyre Co. Ltd.**, the BLA Director likewise ruled in **Decision No. 2009-106** that AUSTONE cannot be registered because appropriating the "STONE" element BRIDGESTONE and FIRESTONE trademarks, and using it on mostly tire products in International Class 12, will result in confusion as to source of goods.

"c. BRIDGESTONE and FIRESTONE are protected under Section 123.1 (e) of IP Code having been declared by the Director of the Bureau of Legal affairs as well-known trademarks in **Decision No. 2008-48**. Because the 'BRIDGESTONE' and 'FIRESTONE' trademarks are famous, the registration of 'MAXSTONE' for identical goods will likely create a confusion, mistake, or deception upon the relevant consumers who will be misled into thinking that the Respondent's goods are those of the Opposer's or that Respondent's business is related to Opposer's or that his goods are sponsored, endorsed or approved by Opposer.

"d. Even assuming without admitting that consumers are not actually deceived as to source and origin of goods, the registration of 'MAXSTONE' will cause trademark dilution of the 'BRIDGESTONE' and 'FIRESTONE' trademarks whose strength and distinguishing power will thereby be substantially weakened to the damage and prejudice of Opposer. This cannot be permitted under the dilution doctrine enunciated by the Supreme Court in the case of **Levi Strauss (Phils.), Inc. vs. Vogue Traders Clothing Company.**

"e. Opposer's BRIDGESTONE and FIRESTONE are already identified in the public mind as the trademarks for Opposer's well-known tires, and therefore, whether it is registered or not, it is entitled to protection under **Section 123.1 (e)** in connection with **Sec. 168.1 of the IP Code** as against the confusingly similar 'MAXSTONE'.

"f. The use and registration for MAXSTONE will **violate Section 147.1 and 147.2 of the IP Code.**

"g. 'BRIDGESTONE' is also the corporate name of Opposer and hence, it must be protected against 'MAXSTONE' under **Section 165 of the IP Code.**

Opposer, among other things, alleges that:

"8. Opposer is a world-leading tire manufacturer. It is known for its BRIDGESTONE tires. Opposer has been manufacturing, selling and distributing tires worldwide under the BRIDGESTONE mark for almost eighty (80) years now; it has widely and popularly sold and distributed its products in the Philippines and in numerous countries around the world.

"9. Opposer is the first to use and register BRIDGESTONE in connection with the design, manufacturing and technology of tires. All products manufactured and sold by Opposer are affixed with the mark BRIDGESTONE. Opposer traces its ownership and its right to use the BRIDGESTONE mark for more than seventy(70) years before Respondent filed the subject application for MAXSTONE, covering goods that are identical to Opposer's. The filing date of subject application is December 14, 2010.

"10. The very first BRIDGESTONE tire was produced on April 9, 1930 by the company Japan "Tabi" Socks Tire Division. On March 1, 1931, the founder Mr. Shojiro Ishibashi made the division independent and established the Bridgestone Tire Co. Ltd., in the City of Kurume, Fukuoka Prefecture.

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"b. The 60s was an era of overseas expansion for Opposer. Overseas plants were established in Singapore and Thailand, and a representative sales branch was established in the United States. In the late 70s and early 80s, the company actively engaged in overseas expansion activities and in addition to starting up production in Indonesia and Iran, it invested in a Taiwanese tire manufacturer and purchased its tire plant and plant for diversified products in Australia. As part of its reinforcement plans, the company purchased a plant in Tennessee from Firestone Tire & Rubber Co., which became its first Firestone, later placed as a subsidiary company, this brought about the large number of production in North America, Central & South America and in Europe. In 1984, the company changed its name from Bridgestone Tire Co. Ltd., to Bridgestone Corporation.

"11. The ownership and association of the word "STONE" as a distinctive word element of the Opposer's house mark BRIDGESTONE, was strengthened through the acquisition of Firestone Tire & Rubber together with the well-known mark "FIRESTONE" in 1988. With the acquisition of Firestone Tire & Rubber, the second largest U.S tire manufacturer, the brand awareness of the BRIDGESTONE trademark Bridgestone Corporation and its family of marks which consistently incorporate the "STONE" as a word component, increased over time.

"12. Bridgestone is constantly ranked as top company in the global tire market. At the end of 2005, the production facilities belonging to the Bridgestone group increased to 141 and are spread throughout (24) nations.

"13. Today, all consumers are used to seeing the name BRIDGESTONE in uniform black capital letters. Bridgestone has started to use a new BRIDGESTONE trademark since March 1, 2011, although the differences between the old and new trademark are small. The word "STONE" attached with another word such as BRIDGE and FIRE has already acquired a secondary meaning through its history of long and extensive use worldwide and in the Philippines. "STONE" has been so intimately associated with the name and the BRIDGESTONE and FIRESTONE trademarks of Opposer herein that it has come to represent Opposer's famous tire products.

"14. The use of FIRESTONE and BRIDGESTONE for tires whose quality has been highly ranked for many years now has reinforced the capacity of the "STONE" as the common and distinguishing element which has the capacity to immediately suggest or identify the products as those coming from BRIDGESTONE Corporation. Thus, STONE has evolved into a highly distinctive element of Opposer's trademarks FIRESTONE and BRIDGESTONE such that the use by third parties of trademarks using STONE on competing or related products will inevitably be wrongly associated with the business of Opposer.

"15. Opposer and the mark BRIDGESTONE are internationally well-known by reason of, among others, the long and continuous use of the mark for almost a century, and the worldwide applications and registrations of the said mark. To date, Opposer owns approximately one thousand (1000) trademark applications and/or registrations and approximately three hundred (300) domain name registrations around the world.

"16. Opposer is the first to use and register BRIDGESTONE in many countries around the world. Most of these goods and services fall under Class 12 or are related to tires.

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"17. In the Philippines, Opposer owns approximately twenty four (24) trademark registrations, some of which are for BRIDGESTONE and FIRESTONE and variations thereof.

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"19. Opposer has invested enormous resources in advertising and popularizing its BRIDGESTONE trademark in the Philippines and around the world. On an annual basis, Opposer spends approximately US\$ 115.82 million in promotion and advertising costs.

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"21. Although Bridgestone has diversified to include products such as sporting goods, chemical and industrial products, and bicycles, its major product remains to be tires. In 2009, Bridgestone occupied the largest market share in the global tire market at 16.2% with sales reaching as high as US\$ 17,750,000,000.00

"22. In the Philippines, Bridgestone controls about 80% of the Original Equipment market and 50% of the local tire market.

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"24. Bridgestone products are being sold locally through its Philippine Representative Office located at Pasong Tamo Extension, Makati City as well as its local distributor Philippine Allied Enterprise Corporation.

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"25. Bridgestone tires are also being sold online at www.tirecenter.com.ph. The said website is owned and managed Tire Center Philippines ("TCP") which is also a distributor of various brands of tires in the Philippines, including Bridgestone. Aside from that, Bridgestone tires are also being sold at www.ebay.ph which is a Philippine based auction sites as well as www.ebay.com. At www.ebay.ph and www.ebay.com, individuals list items for sale on the site, as well as an initial purchase price. Thereafter, the purchasing public posts bids (in US dollars) on the items and at the end of the bidding period, the highest bidder is awarded the item subject to the payment of the bid. Some items sell for over the original retail value. Review of search results of a search for BRIDGESTONE on www.ebay.ph on December 7, 2006 uncovered 4 listings. A search of www.ebay.com which is one of the biggest auction website on December 7, 2006 uncovered 1249 listings.

"26. The World Intellectual Property Organization (WIPO) Arbitration and Mediation Center and the National Arbitration Forum (NAF) have issued several Uniform Domain Name Dispute Resolution Policy (UDRP) decisions, involving domain names using Opposer's BRIDGESTONE mark, which resulted in the

transfer of several domain names to Opposer. WIPO panels expressly found Opposer's BRIDGESTONE mark to be famous.

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The Opposer's evidence consists of the following:

1. Certified true copies of Decision issued by the Bureau of Legal Affairs and the corresponding Entry of Judgment;
2. Affidavit of Amando S. Aumento Jr. dated 21 June 2011;
3. Affidavit of Mr. Masao Kobayashi; Atty. Jan Abigail Ponce and Mr. Yusuhiko Takeda;
4. Affidavit of Use of "BRIDGESTONE" trademark;
5. Certified copies of some of Opposer's certificate of trademark registration for the BRIDGESTONE trademark issues in numerous countries worldwide;
6. Database list of all Opposer's Bridgestone trademark registrations and applications in numerous countries worldwide;
7. Copies of Invoice No. For tires and tire tube and flap;
8. Copy of representative sample of promotional materials published in Philippine magazines and newspaper;
9. Printouts of the Bridgestone search results from www.ebay.ph and www.ebay.com;
10. Photographs of the Bridgestone Tire Showroom in Fort Bonifacio;
11. Opposer's Annual Reports for the years 2000-2005;
12. News reports, articles and magazines relating to Opposer and its BRIDGESTONE mark and products;
13. Bridgestone's Corporate Data for the year 2006;
14. Photographs of Bridgestone outlets in the Philippines;
15. List of Bridgestone stores in the Philippines;
16. Printout of Opposer's website www.bridgestone.com;
17. Newspaper articles featuring the launching of Opposer's products;
18. Database list of all Opposer's Firestone trademark registrations and applications in numerous countries worldwide;
19. Database list of all Opposer's Firestone trademark registrations and applications in numerous countries worldwide;
20. Certificate of Recognition of a well-known trademark issued for BRIDGESTONE and Opposer;
21. Certificate for WELL-KNOWN trademark for "BRIDGESTONE" issued by Russian Agency for Patents and Trademarks of Russian Federation; and
22. Bridgestone's Sales Data for 2010⁴

⁴ Exhibits "A" to "LL"

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 29 July 2011. Said Respondent-Applicant, however, did not file an Answer.

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

Records show that at the Respondent-Applicant filed its trademark application on 14 December 2010, the Opposer already owns trademark registrations for "BRIDGESTONE" and "FIRESTONE", under Reg. Nos. 309620 and 12205⁵, respectively. The goods covered by the Opposer's trademark registration are also under Class 12 namely "tires and tire products", same as indicated in the Respondent-Applicant's trademark application.

A comparison of the competing marks reproduced below:



____ Opposer's Trademark

MAXSTONE

Respondent-Applicant's mark

The marks have the same suffix, "STONE". The fact that the Respondent-Applicant's mark has the word MAX instead of the word BRIDGE is of no moment. The difference in the letters of the Respondent-Applicant's prefix "MAX" is negligible because when pronounced, their suffixes, "STONE" sound the same and are *idem sonans*. Visually and aurally, the marks are confusingly similar. The distinctive feature of the Opposer's trademark is the STONE component. The Respondent-Applicant's mark is a colorable imitation of the Opposer's trademarks is evident in the way it was coined. Because the Respondent-Applicant's trademark application covers goods that are similar to the Opposer's, particularly, tires in Class 12, it is likely that the consumers will have the impression that these goods originate from a single source or origin or the MAXSTONE being a variation of the BRIDGESTONE and FIRESTONE marks, as if in launching a new line of products. The consumers will likely to commit such mistake or or belief is underscored by the fact that the Opposer's BRIDGESTONE and FIRESTONE trademarks have been declared in Decision No. 2008-48 by this Bureau as well-known.

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's 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 the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

⁵ Exhibits "E" to "E-4"

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.⁶

In Decision No. 2008-48⁷ of the Bureau of Legal Affairs on 24 March 2008, the Bureau ruled that the "S-T-O-N-E" is the very component and prominent feature of the mark, to wit:

"The STONE element is Respondent-Applicant's RIVERSTONE is identical to the BRIDGESTONE and FIRESTONE trademarks owned and unabandoned by the Opposer that included the STONE component, As such, Respondent-Applicant's use and application of RIVERSTONE in connection with tires of Respondent-Applicant results in a misappropriation of the very component of the Opposer's trademarks, the suffice STONE is present and prominent in both BRIDGESTONE and FIRESTONE trademarks of Opposer.

Considering that the goods of Opposer viv-a-vis Applicant's products are the same in that they deal mainly in TIRES falling under Class 12 of the International Classification of Goods, thus, applying these cmpeting marks to the same goods which passed through the same channels of trade and marketed similarly, may lead to confusion in trade and would damage Opposer's goodwill or reputation which it has painstakingly earned and established for many years in the Philippines alone".

The Bureau takes judicial notice of its similar decision in the case of Bridgestone Corporation v. Jianxin Rubber (Fujian) Co., Ltd.⁸ wherein it sustained an opposition to the registration of the mark "R-STONE". The decision states:

The Opposer's mark consistently used the word 'STONE' in its marks. The term 'stone', although a common English word, is not descriptive or generic vis-a-vis tire products and hence, considered distinctive therefore. Thus, the Respondent-Applicant cannot be allowed to use the same element as the prevalent feature of its own mark. While the preceding words and/or letters are different in the competing marks, this shall not eradicate the possibility

⁶ *Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

⁷ Exhibit "A"

⁸ Decision No. 2015-28, IPC No. 14-2013-00428, 12 March 2015

of confusion and/or deception on the purchasing public. As the Supreme Court held in *Acoje Mining Co., Inc. v. The Director of Patents*⁹:

'In the language of Justice J.B.L. Reyes, who spoke for the Court in *American Wire & Cable Co. v. Director of Patents*: It is clear from the above-quoted provision that the determinative factor in a contest involving registration of trademark is not whether the challenging mark would actually cause confusion or deception of the purchasers but whether the use of such mark would likely cause confusion or mistake on the part of the buying public.xxx'


That the Opposer's mark begin with the words 'FIRE' or 'BRIDGE' while that of the Respondent-Applicant's with a mere 'R-' is of no consequence. There is a likelihood of the consumers being confused. Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchasers as to cause him to purchase the one supposing it to be the other."

The public interest, 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.¹⁰

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2010-013552 is hereby **SUSTAINED**. Let the file wrapper of subject trademark application be returned, together with a copy of the Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 05 OCT 2016


Atty. **ADORACION U. ZARE, LL.M.**
Adjudication Officer
Bureau of Legal Affairs

⁹ G.R. No. L-28744, 29 April 1971 *Societe des Produits Nestle, S.A. vs. Court of Appeals*, G.R. No. 112012, 4 April 2014

¹⁰ *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha 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).