

KOLIN ELECTRONICS COMPANY, INC.,  
Opposer,

-versus-

KOLINPHIL, INC.,  
Respondent- Applicant.

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}  
} **IPC No. 14-2008-00293**  
} Opposition to:  
} Appln. Serial No. 4-2008-000001  
} Date Filed: 16 January 2008  
} **TM:**  
} **"www.kolinphil.com.ph"**  
}  
}  
}  
}

### NOTICE OF DECISION

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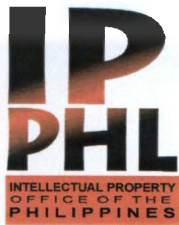
### GREETINGS:

Please be informed that Decision No. 2016 - 485 dated December 23, 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, December 23, 2016.

  
**MARILYN F. RETUTAL**  
IPRS IV  
Bureau of Legal Affairs



KOLIN ELECTRONICS COMPANY, INC., }  
Opposer, }

-versus-

KOLINPHIL, INC., }  
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x-----x

IPC No. 14-2008-00293

Opposition to:  
Application No. 4-2008-000001  
Date Filed: 16 January 2008  
Trademark:  
"www.kolinphil.com.ph"

Decision No. 2016- 485

### DECISION

KOLIN ELECTRONICS COMPANY, INC.<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2008-000001. The application, filed by KOLINPHIL, INC.<sup>2</sup> ("Respondent-Applicant"), covers the mark "www.kolinphil.com.ph" for use on "advertising" under Class 35 of the International Classification of Goods and Services.<sup>3</sup>

The Opposer alleges:

x x x

"4. Opposer believes that it would be damaged by the registration of the mark www.kolinphil.com.ph in the name of Kolinphil considering that the mark www.kolinphil.com.ph is confusingly similar to several marks owned by Opposer, namely, "KOLIN" in International Class 9, "KOLIN" in International Class 35; and www.kolin.com.ph and www.kolin.ph both in International Class 35. Attached hereto as Exhibit "C" is a certified true copy of Certificate of Registration No. 4-1993-087497 and Exhibits "D", "E" and "F", certified true copies of Trademark Application Nos. 4-2007-005421, 20-2007-000008 and 20-2007-000009, respectively.

"5. At the outset, it must be pointed out that the issue of Opposer's ownership over the marks "KOLIN" in International Class 9 and "KOLIN" in International Class 35 has been finally settled by the Honorable Bureau.

"5.1. In Inter Partes Case No. 14-1998-00050, Taiwan Kolin Co., Ltd. ("Taiwan Kolin") opposed herein Opposer's Trademark Application No. 84797 for the mark "KOLIN" in International Class 9. In said opposition, the Honorable Bureau adjudged Kolin Electronics Co.,

<sup>1</sup> A domestic corporation duly organized and existing under the laws of the Republic of the Philippines, with business address at 2788 Anacleto Extension, Tondo, Metro Manila.

<sup>2</sup> A domestic corporation duly organized and existing under the laws of the Republic of the Philippines, with business address at Kolin Building, EDSA cor. Magallanes Avenue, Makati City.

<sup>3</sup> 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.

Inc. as the prior user and adopter of the mark "KOLIN" in the Philippines. By virtue of the finality of the Honorable Bureau's finding that the Opposer is the true owner of the mark "KOLIN" in International Class 9, Opposer was granted Certificate of Registration No. 4-1993-087497 for the mark "KOLIN" dated 23 November 2003.(cf. Exhibit "C")

"5.2. In Inter Partes Case No. 14-2006-00064, Opposer filed an opposition against Kolin Philippines International, Inc.'s ("KPI") Trademark Application No. 4-2002-011003 for the mark "KOLIN" in International Class 35. In the said opposition, the Honorable Bureau adjudged Kolin Electronics as the true and rightful owner of the mark "KOLIN" in International Class 35.

"6. The Opposer in Inter Partes Case No. 14-1998-00050 was Taiwan Kolin which is the majority stockholder of both KPI and Kolinphil. Kolinphil's business address is Kolin Building, EDSA corner Magallanes Avenue, Makati City which is the same business address of KPI. Moreover, KPI and Kolinphil have exactly the same stockholders. Their respective Boards of Directors are composed of the same individuals, except of the addition of Atty. Ann Claire P. Mercader-Limpingo for Kolinphil. Attached as Exhibits "G" and "G-1", respectively, are true copies of Kolinphil's Articles of Incorporation and General Information Sheet for 2007 and Exhibit's "H" and "H-1", certified true copies of KPI's Articles of Incorporation and General Information Sheet for 2007, respectively. Certified true copies of Kolinphil's Articles of Incorporation and General Information Sheet for 2007 shall be submitted with Opposer's Reply.

"7. The foregoing facts lead to no other conclusion than that KPI and Kolinphil are one and the same. This is further bolstered by the fact that in Respondent-Applicant's website, [www.kolinphil.com.ph](http://www.kolinphil.com.ph), KPI, a subsidiary of Taiwan Kolin, admits that it now uses the name "Kolinphil, Inc." Attached hereto as Exhibits "I" to "I-3" are true print outs of the "Company Milestones" and "Kolin Taiwan" pages of Respondent-Applicant's website.

"8. Since Kolinphil's majority stockholder is Taiwan Kolin and by KPI's own admission that Kolinphil and KPI are the same entity, it follows then that Kolinphil is a mere business conduit of Taiwan Kolin. It must be emphasized that the commercial interests that are being represented in the subject Trademark Application No. 20-2008-000001 for "[www.kolinphil.com.ph](http://www.kolinphil.com.ph)" are also the interests of Taiwan Kolin.

"9. It must be noted that the Honorable Bureau already made a judgment that it is Opposer, and not Taiwan Kolin, which is the true owner of the mark "KOLIN". Hence, Kolinphil cannot appropriate the mark [www.kolinphil.com.ph](http://www.kolinphil.com.ph) as its own.

"9.1. In a Decision dated 27 December 2002 in Inter-Partes Case No. 14-1998-00050, the Honorable Bureau denied Taiwan Kolin's opposition and gave due course to herein Opposer's Trademark Application No. 87497. The Honorable Bureau made a finding that, based on the documentary and testimonial evidence presented by the parties, Opposer is the prior adopter and user of the mark "KOLIN" in the Philippines, having been able to prove the date of first use of the same mark in 1989, which is ahead of Taiwan Kolin's use of the said mark in the Philippines in 1996. Thus:

"Upon consideration of the records and the documentary as well as testimonial evidence presented by the parties, this Office finds that Respondent-Applicant is the prior adopter and user of the mark 'KOLIN' in the Philippines, having been able to prove the date of first use of its mark in the year 1989, which is ahead of herein Opposer use in the Philippines which is in the year 1996 as shown by its advertisements in the newspaper, PHILIPPINE DAILY INQUIRER and the PHILIPPINE STAR.

x x x

WHEREFORE, premises considered, the herein Notice of Opposition is hereby denied for lack of merit. Consequently, the application for the registration of the mark 'KOLIN' bearing Serial No. 87497 filed on August 17, 1993 by KOLIN ELECTRONICS COMPANY, INCORPORATED is hereby GIVEN DUE COURSE."

"9.2. Taiwan Kolin thereafter appealed the Honorable Bureau's Decision dated 27 December 2002 to the IPO Director General. However, in a Decision dated 06 November 2003, the IPO Director General affirmed the ruling of the Honorable Bureau and stated, among others, that Opposer is the prior and actual commercial user and owner of the trademark "KOLIN" in the Philippines, viz:

"The foregoing provisions of law clearly require that it is the owner who has the right to register a trademark and that actual use in commerce in the Philippines is an essential prerequisite for the acquisition of ownership over a trademark.

In this case, Appellee, through its predecessor in interest, Kolin Electronics Industrial Supply owned by Miguel Tan, is the prior user in the Philippines of the mark KOLIN and had used the said mark as early as 17 February 1989. Appellant while conceding the prior use in the Philippines by the Appellee of the mark KOLIN, claims that it started using the trademark KOLIN and KOLIN SOLID SERIES in 1963 in Taiwan and that said marks have been registered in Taiwan in 1975 and 1986, respectively. However, as correctly pointed out by the Director:

"The use required as the foundation of the trademark rights refer to local use at home and not abroad. xxx'

Thus, the function of a trademark is to point distinctly the origin of 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. The right to register trademark is based on ownership, which is derived from actual use. In the case at bar as the evidence on record clearly shows that Appellee is the prior and actual commercial user and owner of the trademark KOLIN in the Philippines, its trademark should be given protection."

"9.3. Taiwan Kolin's Petition for Review with Application for Preliminary Injunction and/or Temporary Restraining Order dated 20 November 2003 with the Court of Appeals, docketed as C-GR S.P. No. 80641, was dismissed for lack of merit. In a Decision dated 31 July 2006, the Court of Appeals affirmed the IPO Director General's Decision dated 06 November 2003. Attached as Exhibit "L" is the original of the said Court of Appeals Decision, as received by counsel for Opposer.

"9.4. Taiwan Kolin filed a Motion for Extension of Time to File Petition for Review on Certiorari Under Rule 45 dated 10 August 2007 with the Supreme Court to appeal the Court of Appeal's Decision. However, it later on manifested that it was not pursuing the appeal. Attached hereto as Exhibit "M" is the original of the said Manifestation, as received by counsel for Opposer. Hence, the Honorable Bureau's Decision dated 27 December 2002 became final and executory. Thus, as between Opposer and herein Respondent-Applicant's principal Taiwan Kolin, it is Opposer who has been found to be the true owner of the mark "KOLIN."

"9.5. In a Resolution dated 01 July 2004, the IPO Director General issued a Writ of Execution to enforce the Decision dated 27 December 2002 and ruled that the Opposition filed by Taiwan Kolin against herein Opposer has resulted in wasting herein Opposer's resources and invaluable time: x x x

"9.6. In its Order No. 2004-397 dated 21 July 2004, the BLA implemented the Writ of Execution and issued Certificate of Registration No. 4-1993-087497 for the mark "KOLIN" in the name of Opposer for goods under International Class 9. (cf. Exhibit "C")

"10. More importantly, the Honorable Bureau had also made a judgment that it is the Opposer, and not KPI, which is the true owner of the mark "KOLIN" for Class 35. Kolinphil therefore, cannot appropriate the mark "[www.kolinphil.com.ph](http://www.kolinphil.com.ph)" as its own.

"10.1. In a Decision dated 29 June 2007 in Inter-Partes Case No. 14-2006-00064, the Honorable Bureau denied KPI's opposition and gave due course to herein Opposer's Trademark Application No. 4-2002-011003 for the mark "KOLIN" in Class 35. The Honorable Bureau made a finding that, based on the documentary and testimonial evidence presented by the parties, there is confusing similarity of business or



origin between the Opposer's mark "KOLIN" for Class 09 and KPI's mark "KOLIN" under Class 35. Thus: x x x

"10.2. KPI's appeal from Decision No. 2007-83 with the IPO Director General, docketed as Appeal No. 14-08-37, is still awaiting decision.

"10.3. In addition, this Honorable Office has also dismissed the notices of opposition filed by KPI, allegedly on behalf of Taiwan Kolin, against the Opposer's marks www.kolin.com.ph and www.kolin.ph. Attached hereto as Exhibits "Q" and "R" are originals of Office Order Nos. 2008-108(D) and 2008-109(D), as received by the counsel of Opposer.

"11. It must be emphasized that Taiwan Kolin, KPI and Kolinphil are one and the same. Hence, Kolinphil's Trademark Application No. 20-2008-000001 is being pursued for the business interests of KPI, and ultimately of Taiwan Kolin. Since the Honorable Bureau already made a judgment that it is Opposer, and not Taiwan Kolin or KPI, which is the true owner of the marks "KOLIN" under International Class 9 and 35, respectively, and also of the similar marks www.kolinphil.com.ph and www.kolin.ph under International Class 35, the application subject of this opposition cannot be allowed registration.


"12. It is now undisputed between Opposer, on one hand, and Taiwan Kolin and KPI on the other, that Opposer's use of the mark "KOLIN" in the Philippines dates back as early as 17 February 1989. At the time Opposer started using the subject mark on 17 February 1989, which was prior to the enactment of Intellectual Property Code of the Philippines ("IP Code") and during the effectivity of Republic Act No. 166 ("R.A. 166"), use in Philippines commerce and not registration was the basis of ownership of a trademark and a tradename. Sections 2 and 2-A of R.A. 166 provide: x x x

"13. Further, in *Kabushi Kaisha Isetan v. Intermediate Appellate Court*, 203 SCRA 583 (1991), the Supreme Court held that it is a "fundamental principle of Philippine Trademark Law that actual use in commerce in the Philippines is a prerequisite to the acquisition of ownership over a trademark and a tradename."

"14. More importantly, in *Unno Commercial Enterprises, Incorporated, vs. General Milling Corporation, et. al.*, 120 SCRA 804 (1983), the Supreme Court held that it is the prior user in Philippine commerce that is entitled to trademark registration: x x x

"15. By reason of Opposer's prior use in the Philippines of the mark "KOLIN" since 1989 and the earlier filing date of Opposer's trademark application for the mark "KOLIN" which was later granted Trademark Registration No. 4-1993-087497, it is clear that Opposer is entitled to the exclusive use of the said tradename and mark in the Philippines.

"16. Consequently, Kolinphil's Trademark Application No. 20-2008-000001 for the mark 'www.kolinphil.com.ph' was filed in utter bad faith considering that Kolinphil was fully aware of Opposer's prior registration for the mark "KOLIN" which was filed on 17 August 1993 and issued on 23 November 2003, which dates are much earlier than the 16 January 2008 filing date of Kolinphil's Trademark Application No. 20-2008-000001.



"17. In addition, Kolinphil was also fully aware of the several pending applications in the name of Opposer for the mark "KOLIN" and other related marks in Class 35 with earlier filing dates than that of Respondent-Applicant's application, to wit:

x x x

"18. The registration of the mark www.kolinphil.com.ph in the name of Kolinphil will result in an utter violation of the rights of Opposer as the registered owner of the same mark and is violative of the provisions of the IP Code. Sections 123.1 (d) and (g) of the IP Code provide for instances when a mark cannot be registered, to wit:

x x x

"19. The foregoing provisions of the IP Code explicitly proscribe the registration of a mark if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of the same goods or services or closely related goods or services or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

"20. It is undeniable that the mark www.kolinphil.com.ph sought to be registered by Kolinphil is confusingly similar with Opposer's registered mark "KOLIN" in International Class 9 and Opposer's marks "KOLIN," www.kolin.com.ph and www.kolin.ph with pending applications in International Class 35.

"21. At present, Opposer is using the mark "KOLIN" in the business of manufacture and distribution of the following goods:

Audio equipment such as power amplifiers, public address system, mic-line mixers, programmable sequential & dancing lights controller, stereo booster, loudspeakers, PA speakers, stereo amplifiers

Electric Equipment such as automatic voltage regulator, regulated power supply, AC-DC converters, transformers, DC-AC inverters with charger

x x x

"22. It must be pointed out that Kolinphil's filing of the instant trademark application for services under International Class 35 was a mere ruse to escape an objection from the IPO on the ground of confusing similarity of KPI's marks under the same class and an attempt to circumvent this Honorable Bureau's previous ruling that herein Opposer is the true and rightful owner of the mark "KOLIN."

"23. Kolinphil's advertising business and its use of the mark "KOLIN" in connection with said business definitely causes confusion since Opposer, who is involved in the "business of manufacturing, importing assembling or selling electronic equipment or apparatus" which bears the mark "KOLIN", definitely also advertises its products and services.

"24. In the instant case, the likelihood of confusion is inevitable considering that Kolinphil's application covers "advertising" services which fall under the same international class (Class 35) as Opposer's earlier trademark applications for "KOLIN," www.kolin.com.ph and "www.kolin.ph" for the "business of manufacturing, importing, assembling or selling electronics equipment or apparatus." It then follows that Opposer's business includes "advertising" of electronic products.

"25. As a matter of fact, there is nothing in Kolinphil's website to indicate that the said website is involved in the advertising industry. What is clearly shown in the "Our Products" page of the said website is that Kolinphil is involved in the manufacture and distribution of the following products: air conditioners, LCD televisions, CRT televisions, refrigerators, DVD players, home theatre systems and air coolers. Hence, the business of "advertising" will only relate to the advertising of products which are identical or related to those manufactured by Opposer, thereby causing actual confusion or the likelihood of confusion. Attached hereto as Exhibit "T" is a true print out of the said page.

"26. Because Opposer is also operating the websites www.kolin.com.ph and www.kolin.ph for its "business of manufacturing, importing assembling or selling electronic equipment of apparatus", there is actual or a likelihood of confusion that Kolinphil's business and/or products are those of Opposer's and vice-versa. In fact, Opposer has received several e-mail queries and complaints for products which are actually manufactured and distributed by Kolinphil through the "Contact Us" link on its websites. This confusion between the marks of Opposer and that of Taiwan Kolin, KPI and Kolinphil is so prevalent that some of the customers of Kolinphil are under the impression that Kolinphil and the Opposer are one and the same company. Attached hereto as Exhibits "U" to "U-34" are true print outs of several of those e-mail queries and/or complaints, addressed to Opposer in connection with television sets and air conditioners, showing that the public has been confusing Opposer's products or services with those of Kolinphil. It must be emphasized that currently, Opposer does not manufacture or distribute television sets or air conditioners.

"27. Kolinphil's products are inevitably introduced to the public as "KOLIN" products, and are offered for sale in the same channels of trade where Opposer also distributes its own products bearing the same mark, i.e., appliance centers or electrical stores. As can be shown in the photographs of Solidmark in Robinson's Mall Cagayan de Oro City, Fair N Square Store in Binondo, Manila and SM Appliance Center in SM Mall of Asia, the word "KOLIN" is appended to KPI's mark "SYNTAX" which further contributes to the existing confusion between the marks and products of Opposer and Taiwan Kolin, KPI and Kolinphil. Attached hereto as Exhibits "V" to "V-7" are original photographs of the said stores showing the illegal use of the "KOLIN" mark.

"28. Moreover, Respondent-Applicant consistently uses the mark "KOLIN" with its own trademark "SYNTAX" as can be shown by photographs of Respondent-Applicant's television advertisements and the signage of its delivery truck. Attached hereto as Exhibits "V-8" to "V-10" are originals of these photographs.

"29. In addition, even the common brokerage firm used by Opposer and Taiwan Kolin/KPI/Kolinphil is confused that it faxed to Opposer a Notice of Arrival meant for Respondent-Applicant. Attached hereto as Exhibit "W" is a true fax copy of the said Notice of Arrival addressed to Ms. Julie Tan Co, Opposer's Corporate Secretary. Also attached as Exhibits "X" and "X-1" are the original and notarized affidavits of Julie Tan Co and Johnson Tan, respectively, authenticating said e-mail print outs, photographs and/or Notice of Arrival.

"30. In an effort to lessen confusion as to the source of the goods and to protect its reputation which began long before the instant opposition, Opposer was even constrained to issue disclaimers to the public in several newspapers of general




circulation. Attached as Exhibit "Y" hereof is a true copy of the Opposer's newspaper publication in the 29 November 2004 issue of the Philippine Daily Inquirer.

"31. In view of the established fact that Opposer is the registered owner of the mark "KOLIN" for goods falling under International Class 9, it necessarily follows that the use of a similar mark by third parties is in derogation of the right of Opposer as the owner of the mark "KOLIN". To this end, Section 147.1 of the IP Code provides that the registered owner of the mark "KOLIN" 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 or containers 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, viz.: x x x

"32. Hence in light of the undeniable fact that a likelihood of confusion exists with the use of the mark www.kolinphil.com.ph by Kolinphil without the consent of the Opposer, it is obvious that he continued use of the mark www.kolinphil.com.ph by Kolinphil cannot be sanctioned by this Honorable Bureau. It is respectfully submitted that it now behooves upon this Honorable Bureau to deny Trademark Application No. 20-2008-000001 and enjoin Kolinphil from using the mark www.kolinphil.com.ph in connection with its advertising business which is related to Opposer's services and products.

"33. Considering that the use of the mark www.kolinphil.com.ph by Kolinphil has resulted and will continue to result in irreparable damage and injury to the rights of Opposer as the registered owner of the mark "KOLIN" in Class 9 and the marks "KOLIN", "www.kolin.com.ph" and www.kolin.ph in International Class 35, it is therefore ineluctable that the application of the said mark in the name of Kolinphil services under international Class 35 cannot be given due course and must necessarily be denied by the Honorable Bureau.

The Opposer's evidence consists of a copy of the Opposer's Articles of Incorporation; copy of the pertinent page of the IPO-Gazette; copy of the Certificate of Registration No. 4-1993-087497; copies of trademark application nos. 4-2007-005421, 20-2007-000008 and 20-2007-000009; copies of Kolinphil's Articles of Incorporation and General information sheet for 2007; print-outs of the "Company Milestones" and "Kolin Taiwan" pages of Respondent-Applicant's website; copy of Decision No. 2002-46; copy of IPO Director General's Decision dated 6 November 2003; copy of the Court of Appeal's Decision dated 31 July 2006; copy of the manifestation filed by Taiwan Kolin with the Supreme Court; copy of the Resolution dated 01 July 2004; copy of Order No. 2004-397; copy of Decision No. 2007-83; copy of Officer Order Nos. 2008-108(D) and 2008-109(D); copies of the magazine advertisements and brochure showcasing Opposer's products; print-out of the "Our Products" page of Kolinphil's website; print-outs of several of e-mail queries and/or complaints addressed to Opposer; photographs of the stores showing illegal use of the "KOLIN" mark; copy of the Notice of Arrival addressed to Ms. Julie Tan Co, Opposer's Corporate Secretary; affidavits of



Julie Tan Co and Johnson Tan; and a copy of Opposer's newspaper publication in the 29 November 2004 issue of the Philippine Daily Inquirer.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant, Kolinphil, Inc., on 09 January 2009. The Respondent-Applicant filed their Answer on 30 March 2009 and avers the following:

"III

Special and/or Affirmative Defenses

"3. Respondent-Applicant RE-PLEADS all the foregoing allegations, and further avers:

"4. The cited decisions of the BLA relative to Opposer's mark "KOLIN" in International Class 9, and the denial of KPII's mark "KOLIN" in International Class 35, do not constitute as res judicata to the present case.

"4.1 The earlier decision of the BLA in IPC No. 14-1998-00050 (which became subject of Appeal No. 14-03-24 before the IPO Director General and C.A. G.R. SP No. 80641 before the Court of Appeals) which resolved the issue of Opposer's entitlement to the registration of the mark "KOLIN" in International Class 9 for specified goods, cannot be invoked as res judicata in disposing of the present case, because there is no identity of parties, of subject matter, and of cause of action between the former case and the present case. The former case is between the Opposer and Taiwan Kolin (a corporation of Taiwan, Republic of China), while the present case is between the Opposer and Kolinphil (a corporation duly organized and existing under the laws of the Republic of the Philippines per Opposer's Exhibits "G" and "G-1"). The former decision relates to Opposer's application for the mark "KOLIN", while the present case relates to Respondent-Applicant's application for "KOLINPHIL" of its domain name [www.kolinphil.com.ph](http://www.kolinphil.com.ph) as service mark. The former case resolved the issue of Opposer's mark "KOLIN" in International Class 9, while the present case involves the issue of Kolinphil's service mark "KOLINPHIL" in International Class 35.

"4.2 The earlier decision of the BLA in IPC No. 14-2006-00064 (which is still subject of Appeal No. 14-08-37 before the IPO Director General) which resolved the issue of KPII's non-entitlement to the registration of "KOLIN" in International Class 35 for business and services, cannot likewise be invoked as res judicata in disposing of the present case, because in addition to not being a final judgment in view of KPII's pending appeal, there is also no identity of parties, of subject matter, and of cause of action between the former case and the present case. The former case is between the Opposer and KPII (a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines per Opposer's Exhibits "H" and "H-1"), while the present case is between the Opposer and Kolinphil (another corporation per

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<sup>4</sup> Marked as Exhibits "A" to "Z", inclusive.

Opposer's Exhibits "G" and "G-1"). The former decision relates to KPII's application for the mark "KOLIN" of its domain name www.kolinphil.com.ph as service mark. The former case resolved the issue of KPII's non-entitlement to the mark "KOLIN" in International Class 35, while the present case involves the issue of Kolinphil's service mark of "KOLINPHIL" in International Class 35.

"4.3 The earlier Office Order No. 2008-108 of the BLA in MNO 2008-064 (which is still subject of a Motion for Reconsideration before the BLA), and Office Order No. 2008 of the BLA in MNO 2008-065 (which is still subject of a Motion for Reconsideration before the BLA), which both dismissed *motu proprio* the opposition of Taiwan Kolin/KPII to Opposer's application for registration of "KOLIN" of its domain names www.kolin.com.ph and www.kolin.ph as service marks in International Class 35, on purely technical grounds (i.e., Exhibits are photocopies), cannot further be invoked as *res judicata* in disposing of the present case, because as such, they did not amount to judgment on the merits, aside from the fact that there is no identity of parties, of subject matter, and of cause of action between the former cases and the present case. The former cases are between the Opposer and Taiwan Kolin and KPII, while the present case is between the Opposer and Kolinphil. The former cases relate to the issue of Opposer's service mark "KOLIN", while the present case relates to Respondent-Applicant's service mark "KOLINPHIL".

"4.4 In order that *res judicata* be invoked, the following elements must concur: a) the presence of a final former judgment; b) the former judgment is by a court of competent jurisdiction over the subject matter and the parties; c) the former judgment is a judgment on the merits; and d) there is, between the first and second actions, identity of parties, of subject matter, and of cause of action. In *Mirpuri vs. Court of Appeals*, the Supreme Court held that to the effect that causes of action which are distinct and independent from each other, although arising out of the same contract, transaction, or state of facts, may be sued separately recovery on one being no bar to subsequent actions on others, and the mere fact that the same relief is sought in a subsequent action will not render the judgment in the prior action operative as *res judicata*; *res judicata* does not apply to rights, claims or demands, although growing out of the same subject matter, which constitute separate or distinct causes of action and were not put in issue in the former action.

"4.5 Respondent-Applicant's service mark "KOLINPHIL" of its domain name www.kolinphil.com.ph was not put in issue, nor was it even the subject of IPC No. 14-1998-00050 and IPC No 14-2006-00064, including in both MNO 2008-064 and MNO 2008-065 (which have not been decided on the merits), hence, the decisions in these cited cases do not resolve the present case.

"5. The extent of Opposer's ownership and right over the mark "KOLIN" may have been resolved and settled in the final appeal of the decision of the BLA in IPC No. 14-1998-00050 to the Court of Appeals in CA-G.R. SP No. 80641, but the Court of Appeals did resolve and settle in its Decision that the ownership and right of the Opposer over the mark "KOLIN" is limited in connection with the

goods and those that are related thereto in International Class 9 specified in Opposer's Certificate of Registration, thus:

"x x x One final point. We take the occasion to clarify for this purpose that the applicant-respondent's [Opposer] prima facie ownership of the disputed trademark and of its exclusive right to use the same shall be limited only in connection with the goods or services and those that are related thereto as specified in the certificate of registration. Section 20 of the Trademark Law (R.A. No. 166) considers the trademark registration certificate as prima facie evidence of the validity of the registration, the registrant's ownership and exclusive right to use the trademark in connection with the goods, business or services classified by the Director of Patents, and as specified in the certificate, subject to the conditions and limitations stated therein."

"5.1 The BLA, on the other hand, has favorably ruled in favor of Respondent-Applicant's affiliate, Taiwan Kolin, and the entitlement of the latter to the mark "KOLIN" in International Classes 11 and 21 contained in its subsequent decision as follows:

5.1.1 In a Decision No. 2007-26 dated 28 February 2007 in IPC No. 14-2004-00105, the BLA has denied Opposer's opposition and gave due course to Taiwan Kolin's Trademark Application No. 4-2002-011001, and ruled that Taiwan Kolin is not precluded from using the mark "KOLIN" for goods under International Class 11 considering that Opposer's goods under International Class 9 are not identical nor related and non-competing such that Opposer's interests and goodwill are not likely to be damaged by Taiwan Kolin's use of the said mark. Certified true copy of the BLA Decision No. 2007-26 dated 28 February 2007 is hereto appended as EXHIBIT "1", and made an integral part hereof. Meanwhile, the Opposer has appealed the decision of the IPO Director General in Appeal No. 14-07-20.

5.1.2 In a Decision No. 2007-120 dated 30 August 2007 in IPC No. 14-2006-000196, the BLA has denied Opposer's opposition and gave due course to Taiwan Kolin's Trademark Application No. 4-2002-011004, and ruled that Taiwan Kolin is not precluded from using the mark "KOLIN" for goods under International Class 21, considering that Opposer's registered trademark is used on goods belonging to International Class 9, and are not related as they do not belong to the same class, they do not have the same descriptive properties and they serve different purposes and there is no likelihood that the use of the same mark on their goods would cause confusion or mistake on the part of the purchasers. Certified true copy of the BLA Decision No. 2007-120 dated 30 August 2007 is hereto appended as EXHIBIT "2", and made an integral part hereof. Said decision has become final and executory, and Taiwan Kolin is now the registered owner of the mark "KOLIN" in International Class 21 as duly evidenced by a Certificate of

Registration No. 4-2002-011004 issued on 07 October 2007.  
Certified true copy of Taiwan Kolin's Certificate of Registration  
No. 4-2002-011004 is hereto appended as EXHIBIT "3" and  
made an integral part hereof.

"6. Opposer did not sufficiently establish its ownership or exclusive right over the marks "KOLIN", www.kolin.com.ph and www.kolin.ph in International Class 35 to preclude the registration of Respondent-Applicant's service mark "KOLINPHIL" of its domain name www.kolinphil.com.ph, which not to mention is also different from Opposer's applied "KOLIN" marks first mentioned.

"6.1 No certificate of registration was shown to have been issued to the Opposer for either "KOLIN" or "KOLINPHIL" in International Class 35. Under the new IP Code, rights to a trademark or trade name or service mark shall be acquired through registration made validly in accordance with the provisions of the said Code. Sections 138 of the IP Code provides that the certificate of registration is the evidence of the registrant's ownership of the mark and the right to prevent third parties from using the same, thus: x x x

"6.2 Opposer's evidence in IPC No. 14-1998-00050 of alleged early use in 1989 also relates to the company or trade name of its predecessor-in-interest which is "Kolin Electronics Industrial Supply", and not the distinct "KOLIN" or domain names of www.kolin.com.ph or www.kolin.ph. As observed by the BLA in that case:

"x x x On the other hand, in support of its claim of first use Respondent-Applicant [Kolin Electronics] presented the following evidences: Exhibit "1"; Affidavit of JULIE TAN CO, paragraph 5 thereof testifying that sometime in 1989 his brother Miguel Tan decided to set up business under the name "KOLIN ELECTRONICS INDUSTRIAL SUPPLY"; Exhibit "2"; Certificate of Registration of Business Name Issued by the Department of Trade and Industry for "KOLIN ELECTRONICS INDUSTRIAL SUPPLY" issued on FEBRUARY 17, 1989; Exhibit "5"; Certificate issued by the Bureau of Internal Revenue to the effect that "KOLIN ELECTRONICS INDUSTRIAL SUPPLY" was duly registered on the 24<sup>th</sup> of FEBRUARY 1989; Exhibit "5-G"; Value added tax Registration Certificate, certifying that MIGUEL TAN whose trade name "KOLIN ELECTRONICS INDUSTRIAL SUPPLY" is a registered valued added tax payer, registration dated MARCH 1, 1989; Exhibits "24-a" to "25-a" inclusive of sub-markings; which are Sales Invoices issued by KOLIN ELECTRONICS Industrial Supply all dated in the year 1989."

"6.3 There is an evident distinction between Opposer's earlier utilized company or trade name of "KOLIN ELECTRONICS INDUSTRIAL SUPPLY", or Opposer's presently applied marks "KOLIN" and domain names www.kolin.com.ph and www.kolin.ph in International Class 35, and Respondent-Applicant's "KOLINPHIL" of its domain name www.kolinphil.com.ph in International Class 35 as service



mark. The key or dominant word in Respondent-Applicant's subject application is "KOLINPHIL", and not "KOLIN" or "KOLIN ELECTRONICS INDUSTRIAL SUPPLY" of Opposer's predecessor-in-interest nor Opposer's present corporate name of "KOLIN ELECTRONICS CO., INC." Under the new IP Code, a third party is precluded from using a registered mark only for identical or similar goods or services, or a well-known mark for any goods or services, and resulting in a likelihood of confusion. Section 147 of the IP Code provides that an owner of a registered mark shall only have the right to prevent third parties from using in the course of trade identical or similar signs for goods or services and if such use would result in a likelihood of confusion, unless the mark is a well-known mark, thus: xx

"6.4 Opposer's mark "KOLIN" has not been decreed to be a well-known mark; neither has it been shown to pass the requirements of a well-known mark. In 246 Corporation, doing business under the name and style of Rolex Music Lounge vs. Daway, the Supreme Court laid down the requisites for a well-known mark, thus: x x x

Since Opposer's mark "KOLIN" (in International Class 9) is not a well-known mark, the registration of Respondent-Applicant's service mark "KOLINPHIL" and domain name [www.kolinphil.com.ph](http://www.kolinphil.com.ph) in a different International Class 35, and which is a different word mark from "KOLIN", cannot be precluded, and not to mention further the fact of the distinctiveness of the goods or products of the Respondent-Applicant being marketed or promoted via Respondent-Applicant's distinct Website through domain name [www.kolinphil.com.ph](http://www.kolinphil.com.ph) as will be discussed hereinafter.

"7. Respondent-Applicant is not precluded from using the name "KOLINPHIL" in trade or business, because it constitutes Respondent-Applicant's corporate name, as well as business name as held out to the public, and as such, Respondent-Applicant is the legitimate owner of "KOLINPHIL".

"7.1 Respondent-Applicant's corporate name with the key or dominant word, "KOLINPHIL" is registered before the Securities and Exchange Commission (SEC) as duly evidenced by an S.E.C. Company Reg. No. CS200342335, as well as Articles of Incorporation and General Information Sheet which are Opposer's Exhibits "G" and "G-1" and heretofore adopted by incorporation and reference as EXHIBITS "4" and "4-a", and made integral parts hereof, showing the incorporation of the Respondent-Applicant last December 2003.

"7.2 Its corporate name of "KOLINPHIL" also constitutes Respondent-Applicant's business name which was registered before the Department of Trade and Industry (DTI) as duly evidenced by a Certificate of Registration of Business Name issued last 2004. A certified true copy of Respondent-Applicant's Certificate of Registration of Business Name is Annex "B" of the Secretary's Certificate dated 11 March 2009 of Respondent-Applicant's Corporate Secretary, Mr. Efrenilo M. Cayanga, and which Secretary's Certificate (Mr. Cayanga) is hereto appended as EXHIBIT "5", and the Certificate of Registration of Business

Name is hereto appended as EXHIBIT "7", and made integral parts hereof.

"7.3 In Western Equipment and Supply Co. vs. Reyes, the Supreme Court upheld basically the right to the use of corporate or business name which is a property right, a right in rem, thus:

"x x x the right to the use of the corporate and trade name x x x is a property right, a right in rem, which it may assert and protect in any of the courts of the world even in countries where it does not personally transact any business. x x x"

"7.4 Under the new IP Code, an identified business and the established goodwill of the owner over the same shall also be protected being the owner's property right. Section 168 of the IP Code provides that a person who has identified in the mind of the public the goods he manufactures or deals in, his business or services from those of others, has a property right in the goodwill of the said goods, business or services so identified, which will be protected, thus:

x x x

"8. As owner of "KOLINPHIL", Respondent-Applicant is entitled to constitute its corporate or business identity, or otherwise, own name, as a domain name in cyberspace on the subsequent influx of the Internet technology and the emergence of electronic commerce as another marketing tool of business, thus, Respondent-Applicant's domain name of www.kolinphil.com.ph. Under the new IP Code, domain names are allowed to be registered as a service mark of the applicant.

"8.1 As mentioned, Opposer has not sufficiently established an ownership or exclusive right over the marks "KOLIN", "www.kolin.com.ph" and "www.kolin.ph" in International Class 35, by lack of any showing of prior registration thereof in its name. Opposer has not also sufficiently established an ownership or exclusive right over the mark "KOLINPHIL" in International Class 35, by lack of any showing of a prior registration thereof in its name. Neither was Opposer's mark "KOLIN" in International Class 9 decreed to be a well-known mark to preclude Respondent-Applicant's word mark of "KOLINPHIL" or domain name www.kolinphil.com.ph as service mark in International Class 35.

"8.2 As likewise mentioned, there is a substantial distinction between Opposer's corporate or business/trade name of "KOLIN ELECTRONICS INDUSTRIAL SUPPLY" or "KOLIN ELECTRONICS CO., INC.", or Opposer's applied marks "KOLIN", www.kolin.com.ph and www.kolin.ph in International Class 35, or Opposer's mark "KOLIN" I International Class 9 and Respondent-Applicant's applied word mark of "KOLINPHIL" or domain name www.kolinphil.com.ph for electronic commerce and in marketing and promoting its goods or products in Respondent-Applicant's Website.

"8.4 Respondent-Applicant's domain name of www.kolinphil.com.ph is a distinct location or address, since it is more than settled that each and every IP address on the Internet is unique with its own set of numeric address, and no two IP addresses are alike. As such, there is only one way to access and display Respondent-Applicant's Website, that is, by typing Respondent-Applicant's IP address or domain name of www.kolinphil.com.ph on the Web browser, and by no other IP addresses or domain names like that of Opposer.

"9. Respondent-Applicant has a separate and distinct personality invested by law, and as such corporation, it has clearly the power and right to file the subject application on its own.


"9.1 In Construction & Development Corporation of the Philippines vs. Cuenca, the Supreme Court held that a corporation, upon coming into existence, is invested by law with a personality separate and distinct from those persons comprising it as well as from any legal entity to which it may be related.

"9.2 The BLA has also settled in the earlier cases between the Opposer and Taiwan Kolin, or the Opposer and KPIL, that even if the corporation is a majority stockholder of the other or with ownership of all or nearly all of the capital stock of the latter corporation is not sufficient ground to conclude that the interest represented is one and the same. In IPC No. 14-2006-00064 between the Opposer and KPIL relating to the application of the latter in International Class 35 wherein the Opposer also sought for the BLA to apply its decision in IPC No. 14-1998-00050, the BLA in its Decision (Opposer's Exhibit "P") said:

"x x x We do not agree. It is not simple as it appears to be. x x x Firstly, there is no identity of parties. A perusal of evidence presented that while herein Respondent-Applicant [KPIL] is the majority stockholder of Taiwan Kolin Co., Ltd., who is the Opposer in IPC No. 14-1998-00050 in the referred Decision No. 2002-46, "it is invested by law with a personality separate and distinct from that of the persons comprising it as well as from any other legal entity to which it may be related." (Emilio Cano Enterprises, Inc. vs. CIR, 13 SCRA 290)

Thus, this Bureau opines that Respondent-Applicant, even as majority stockholder of Taiwan Kolin Co., Ltd., with ownership of all or nearly all of the capital stock of the latter corporation is not a sufficient ground to conclude that the interest represented by Respondent-Applicant and that of Taiwan Kolin is one and the same.

However, this corporate personality may be pierced in cases where it is used as a cloak, or cover for fraud and justify wrong. This fact should be clearly and convincingly established. Otherwise the distinct and separate legal



personality of the corporation and the stockholders who compose it is recognized and respected by law.

X x x Opposer's move is a simple varied form of seeking the protective mantle of *res judicata* of the principle of conclusiveness of judgment. Sadly though, this is not applicable in the instant case.

Relative hereto is the basic law and as the maxim goes, *res inter alios acta alteri noceri non debet* which states: "The rights of a party cannot be prejudiced by an act, declaration, or omission of another, except as hereinafter provided." (Section 28, Rule 130, Revised Rules of Court.) Since Respondent-Applicant was a third party in the aforementioned case docketed as IPC No. 14-1998-00050, then, it cannot be prejudiced nor affected by any declaration, omission or act in that proceeding, to affect the instant proceeding. x x x"

"9.3 Respondent-Applicant may be affiliated with Taiwan Kolin and KPIL, but affiliation is not sufficient to disregard the separate juridical personality of the Respondent-Applicant in relation to the subject application of the latter in the clearest absence of fraud or wrong on the part of the Respondent-Applicant in the filing of its subject application and relating to Respondent-Applicant's legitimate identity and business. Viewing the other applications of Taiwan Kolin and KPIL, including those of Opposer, before the IPO, there is no such previous application and/or registration of the service mark "KOLINPHIL" and/or domain name [www.kolinphil.com.ph](http://www.kolinphil.com.ph) in International Class 35 (except by the Respondent-Applicant), to preclude the application and/or registration of Respondent-Applicant's service mark "KOLINPHIL" and domain name [www.kolinphil.com.ph](http://www.kolinphil.com.ph) in International Class 35.

"9.3.1 In *Child Learning Center, Inc. vs. Tagorio*, the Supreme Court held that to disregard the corporate existence, the plaintiff must (be able to) prove: (1) Control by the individual owners, not mere majority or complete stock ownership, resulting in complete domination not only of finances but of policy and business practice in respect to a transaction so that corporate entity as to this transaction had at the time no separate mind, will or existence of its own; (2) such control must have been used by the defendant to commit fraud or wrong, to perpetuate the violation of a statutory or other positive legal duty, or a dishonest and unjust act in contravention of the plaintiff's legal right; and (3) the control and breach of duty must proximately cause the injury or unjust loss complained of.

"9.3.2 The absence of these elements, or substantial proof of these elements, as above mentioned, prevents piercing the corporate veil of juridical entities.

"10. There is no convincing proof of confusion, or likelihood of confusion arising from Respondent-Applicant's adoption and use of its domain name of www.kolinphil.com.ph and to preclude its registration because, to reiterate, Respondent-Applicant's domain name of www.kolinphil.com.ph is a distinct and unique IP address that is solely accessible through the said IP address or otherwise, domain name.

"11. There is no convincing proof of confusion, or likelihood of confusion, on the part of the public or consumers who reach the Internet site of the Respondent-Applicant through the domain name of www.kolinphil.com.ph, on one hand, and the Internet site of the Opposer through the domain names of www.kolin.com.ph and www.kolin.ph, on the other hand, because their respective Internet sites contain and display information on each other distinct from each other.

"11.1 As a further means of identifying the Internet site, Respondent-Applicant's Internet only contains information that are sponsored by, or relating to or associated with the Respondent-Applicant as seen from the said Internet site, the Web pages of which are previously appended hereto as Respondent-Applicant's EXHIBITS "10" and "10-a thru 10-1", and all of which data or information do not pertain or relate to the Opposer. Respondent-Applicant's Internet site adequately contains the requisite information or data about the corporate or business identity of the Respondent-Applicant, and its commercial goods or products and/or services i.e., SYNTAX brand- television and DVD player (International Class 9); KOLIN - air-conditioner, refrigerator, chiller, dehumidifier, and the like (International Classes 11 and 21), thus, the same readily identifies the Respondent-Applicant, and not the Opposer.

"11.2 Respondent-Applicant's Website data or information are distinct from those in Opposer's own Website which contains Opposer's corporate or business identity and the commercial goods or products and/or services, i.e., audio equipment and power supplies, of the latter also readily identifying the Opposer, and not the Respondent-Applicant, and none of which pertains or relates to the Respondent-Applicant and to the affiliated companies of the latter. A true electronic print-out of Opposer's Web pages for www.kolin.com.ph are Annexes "D, D-1 thru D-5" of Mr. Guanzon's Affidavit which is previously appended as EXHIBIT "8", while Opposer's Web pages for www.kolin.com.ph are hereto appended as EXHIBITS "11" and "11-a thru 11-g" and for www.kolin.ph are hereto appended as EXHIBITS "12" and "12-a thru 12-e", and made integral parts hereof.

"11.3 In the case of the Respondent-Applicant, on the contrary, it has no incident of erroneous e-mails to the "Contact Us" link of its Website, except those intended for the Respondent-Applicant, or its affiliated companies of Taiwan Kolin and KPIL, and concerning their business, products and services, as attested to by Respondent-Applicant's Advertising Head, Mr. Jay Emmanuelle O. Guanzon, in his Affidavit (Mr. Guanzon) which is previously appended hereto as EXHIBIT "8", as well as by sample e-mails to the Respondent-Applicant, or its affiliated companies, which are Annexes "A, A-1 thru A-9" of Mr. Guanzon's



Affidavit and hereto appended as EXHIBITS "9" and "9-a thru 9-i", and made integral parts hereof.

"12. There is no convincing proof of confusion, or likelihood of confusion between the goods or products of the Respondent-Applicant, on one hand, and those of the Opposer, on the other hand, and as they are respectively marketed and/or promoted via their own respective Internet sites of [www.kolinphil.com.ph](http://www.kolinphil.com.ph) for the Respondent-Applicant, while [www.kolin.com.ph](http://www.kolin.com.ph) and [www.kolin.ph](http://www.kolin.ph) for the Opposer vis-à-vis the public or consumers, because not only are the respective Internet sites distinct in their respective contents, but moreover, the Respondent-Applicant and the Opposer also have distinct commercial goods or products as displayed from the Web pages of their respective Internet sites showing that neither party carries the goods or products of the other, thus, confusion is not likely.

"12.1 Respondent-Applicant's commercial goods or products are home appliances such as "air-conditioner, refrigerator, chiller, television, DVD player, electric fan, heater, microwave oven, rice cooker, dehumidifier and water dispenser." On the contrary, Opposer's commercial goods or products are audio equipment and power supplies such as "power amplifier, PA system, stereo booster, speakers, automatic voltage regulator, converter, recharger, AC-DC regulated power supply and transformers." As such, the goods or products of the Respondent-Applicant, on one hand, and the Opposer, on the other hand, are not related and serve a distinct function or purpose or need to the public or consumers, not to mention the obvious fact that they are not identical or similar goods or products, thus, are different. A consumer in the market for a voltage regulator, for instance, will not confuse the same as to lead him to buy a television, air-conditioner, refrigerator, DVD player, electric fan, microwave oven, rice cooker, dehumidifier, or water dispenser, and vice-versa.

"12.2 In *Esso Standard Eastern vs. Court of Appeals*, the Supreme Court held that the vast majority of courts today follow the modern theory of related goods that "non-competing" goods which are entirely "unrelated" will not be reasonably assumed to have a common source and in such case, "confusion of business could not arise", thus: x x x

"12.3 In *Canon Kabushiki Kaisha vs. Court of Appeals*, the Supreme Court held that when the products are unrelated or different, the public will not be misled as to the goods, business or services, unlike those subject of the cases of *Sta. Ana vs. Maliwat*, *Ang vs. Teodoro* and *Converse Rubber Corporation vs. Universal Products Inc.* where the latter goods constituting the business or services were itself confusingly similar, if not identical, where likely confusion is presumed, thus: x x x

"12.4 Respondent-Applicant's commercial goods or products do not flow or end up at the same trade channels or outlets with that of the Opposer. In its Opposition, Opposer failed to substantiate its claim that Respondent-Applicant's goods or products are allegedly being offered for sale in the same channels of trade where the Opposer also allegedly distributes its own goods or products. On the contrary, Respondent-

Applicant, which sells its commercial goods or products on wholesale basis, has accredited dealers for the same, as attested by Respondent-Applicant's Advertising Head, Mr. Jay Emmanuelle O. Guanzon, in his Affidavit (Mr. Guanzon) which is previously appended hereto as EXHIBIT "8", as well as Respondent-Applicant's Dealer's Directory as of June 2008 which are Annexes "E, E-1 and E-12" of Mr. Guanzon's Affidavit and hereto appended as EXHIBITS "11" and "11-a thru 11-l", and made integral parts hereof, and the same are not the trade outlets or channels of Opposer's goods or products, i.e., audio, electronic or electrical shops, or hardwares.

"12.5 Citing again Esso Standard Eastern vs. Court of Appeals, the Supreme Court said another factor that shows that the goods are non-related and non-competitive is when they flow through different channels of trade, thus: x x x

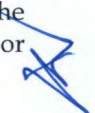
"Respondent-Applicant's home appliances and Opposer's audio or electrical equipment and power supplies are not inexpensive items and/or matters of everyday purchase or consumption, unlike the common household needs of "soap vs. toilet articles", or basic commodities of "rubber shoes vs. rubber slippers", or food products of "hamburgers" or condiments of "food seasoning". Respondent-Applicant's home appliances and Opposer's audio or electrical equipment and power supplies are certainly greater value than maong pants or jeans. In Lim Hoa vs. Director of Patents, the Supreme Court held that the danger of confusion in trademark and brands may not be so great in the case of commodities or articles of relatively great value, such as, radio and television sets, air conditioning units, machinery, etc., thus:

x x x

"12.6 In Emerald Garment Manufacturing Corporation vs. Court of Appeals, the Supreme Court upheld the predisposition of the "casual buyer" of being more cautious and discriminating over expensive items like "maong pants or jeans", thus: x x x

"While in Fruit of the Loom, Inc. vs. Court of Appeals, the Supreme Court also held that the ordinary purchaser must be thought of as having, and credited with, at least a modicum of intelligence.

"12.7 Opposer's Exhibits "U thru U-34" which are alleged print-outs of several customer e-mails erroneously sent to the Opposer in connection with television sets and air-conditioners; Opposer's Exhibits "V thru V-10" which are alleged photographs of Respondent-Applicant's "SYNTAX" mark; Opposer's Exhibit "W" which is an alleged true fax copy of the Notice of Arrival of air-conditioners erroneously addressed to the Opposer; and Opposer's Exhibit "Y" which is an alleged Notice to Public published by the Opposer to address confusion on the part of the public or consumers, are not convincing proofs of alleged confusion, or likelihood of confusion, as to the respective identities and business of the Respondent-Applicant and the Opposer on the part of the public or consumers.



"12.7.1 Opposer's Exhibits "U thru U-34" are inconclusive evidence of confusion, or likelihood of confusion, because the customer e-mails in question have not been attested to by the purported senders to lend credibility to the same. Opposer's personality as Kolin Electronics Company, Inc. was not referred nor alluded to in the customer e-mails in question to support the alleged claim of association by the public or consumers of Opposer with the Respondent-Applicant and the goods or products of the latter as mentioned. In the case of the Respondent-Applicant, on the other hand, it has no incident of erroneous e-mails to the "Contact Us" link of its Website, except those intended for the Respondent-Applicant, or its affiliated companies of Taiwan and KPII and concerning the business, products and services of the latter, as attested to by Respondent-Applicant's Advertising Head, Mr. Jay Emmanuelle O. Guanzon, in his Affidavit (Mr. Guanzon) which is previously appended hereto as EXHIBIT "8", as well as by sample e-mails directed to the Respondent-Applicant, or its affiliated companies, which are previously appended hereto as EXHIBITS "9" and "9-a thru 9-1". Reckoned with the total product sales made by the Respondent-Applicant from the years 2004 up to 2008 in the amount of over Php 2.08 Billion representing Two Hundred One Thousand Six Hundred Forty Three (201,643) products sold in the market as attested to by Respondent-Applicant's Assistant Vice-President for Sales, Mr. Rizaldy Pineda, in his Affidavit dated 12 March 2009, together with the Sales Report for the years 2004 up to 2008, which Affidavit (Mr. Pineda) is hereto appended as EXHIBIT "14", and the Kolinphil Sales Report (Sales Per Product Line) which is attached as Annexes "A, A-1 thru A-4" of Mr. Pineda's Affidavit and hereto appended as EXHIBITS "15" and "15-1 thru 15-d", and made integral parts hereof, thus, such customer e-mails in question constitute an insignificant number to defeat the subsisting distinctiveness of the personality or identity and business of the Respondent-Applicant, and its commercial goods or products in the market, from those of the Opposer in the eyes of the public or consumers, including Respondent-Applicant's numerous accredited dealers and/or distribution nationwide.

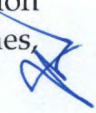
"12.7.2 Opposer's Exhibits "V thru V-10" are inconclusive evidence of confusion, or likelihood of confusion, because the "SYNTAX" mark is properly registered to, and owned by the Respondent-Applicant as evidenced by a Certificate of Registration No. 4-2004-009238 in its name for International Classes 9, 11 and 21, and the goods or products bearing the "SYNTAX" brand/mark, including for television and DVD player in International Class 9. A certified true copy of Respondent-Applicant's Certificate of Registration for the "SYNTAX" mark is Annex "A" of the Secretary's Certificate of Respondent-Applicant's Corporate Secretary, Mr. Efrenilo M. Cayanga, and which Secretary's Certificate (Mr. Cayanga) is

previously appended as EXHIBIT "5", and the Certificate of Registration of "SYNTAX" mark is hereto appended as EXHIBIT "6", and made an integral part hereof.

"12.7.3 Opposer's Exhibit "W" is inconclusive, if not preposterous, evidence of confusion, or likelihood of confusion, because Respondent-Applicant's personality was properly identified on the purported Arrival Notice Registry No. BLA0160 of Ben Line Agencies Philippines, Inc. Respondent-Applicant duly received said Arrival Notice from the carrier's agent, Ben Line, last 27 December 2007, as duly addressed to "Kolinphil, Inc., KOLIN Bldg., EDSA cor. Magallanes Ave., Magallanes Village, Makati City". Moreover, the carrier's agent, Ben Line, had been involved in previous imports of the Respondent-Applicant to be undeniably fully aware of the personality of the Respondent-Applicant, as attested to by Respondent-Applicant's Importation Assistant, Mr. Wilhelm Albaladejo, in his Affidavit dated 11 March 2009, which Affidavit (Mr. Albaladejo) is hereto appended as EXHIBIT "16", and made an integral part hereof.

"12.7.4 Opposer's Exhibit "Y" is inconclusive evidence of confusion, or likelihood of confusion, because the purported Notice to Public had nothing to do with any alleged prior disclaimer made on the part of the Opposer, but it is a mere single announcement as to the issuance of a Certificate of Registration for the mark "KOLIN" to the Opposer and of Opposer's claim of purported rights in relation thereto. On the other hand, said Notice to Public is actually misleading, because Opposer failed to mention therein for unknown reason/s that Opposer's Certificate of Registration for the mark "KOLIN" only covers a list of specified goods in International Class 9.

The Respondent-Applicant's evidence consists of copy of the BLA Decision No. 2007-06 dated 28 February 2007; copy of the BLA Decision No. 2007-120; copy of Taiwan Kolin's Certificate of Registration No. 4-2002-011004; copy of S.E.C. Registration No. CS200342335 including the Articles of Incorporation and General Information Sheet for the corporate name Kolinphil, Inc.; copy of the Secretary's Certificate issued by the corporate secretary of Kolinphil, Inc., Efrenilo M. Cayanga, on 11 March 2009; copy of Certificate of Registration No. 4-2004-009238; copy of Certificate of Business Name Registration for Kolinphil, Inc.; affidavit of Mr. Jay Emmanuelle O. Guanzon, advertising head of Kolinphil, Inc.; sample emails to Respondent-Applicant or its affiliated companies; print-out of Kolinphil website pages; print-out of Opposer's webpages for [www.kolin.com.ph](http://www.kolin.com.ph); print-out of Opposer's web pages for [www.kolin.ph](http://www.kolin.ph); copy of Kolin Dealer's Directory as of June 2008; affidavit of Rizaldy Pineda, Assistant Vice-President for Sales of Kolinphil, Inc.; affidavit of Wilhelm Albaladejo, Importation Assistant of Kolinphil, Inc.; copies of arrival notice from Ben Line Agencies Philippines,



Inc.; and copy of the Secretary's Certificate issued by the corporate secretary of Kolinphil, Inc., Efrenilo M. Cayanga, on 02 February 2009.<sup>5</sup>

The Opposer filed a Reply to Respondent-Applicant's Answer on 20 April 2009. Respondent-Applicant filed a Rejoinder to Opposer's Reply on 28 April 2009.

On 29 May 2009, the Preliminary Conference was terminated. Then after, the Opposer filed its position paper on 29 June 2009 while the Respondent-Applicant filed its position paper on 06 July 2009.

Should the Respondent-Applicant be allowed to register the trademark www.kolinphil.com.ph? The Respondent-Applicant's trademark application for www.kolinphil.com.ph should be registered. Opposer's and Respondent-Applicant's registered trademarks and those pending application in the Philippines are shown below:

| Opposer's trademarks | Class | Registration No.      | Respondent-Applicant's trademarks | Class | Registration No.     |
|----------------------|-------|-----------------------|-----------------------------------|-------|----------------------|
| KOLIN                | 09    | 4-1993-087497         | KOLIN                             | 11    | (Appl) 4-2002-011001 |
| KOLIN                | 35    | (Appl) 4-2007-005421  | KOLIN                             | 21    | 4-2002-011004        |
| www.kolin.com.ph     | 35    | (Appl) 20-2007-000008 | www.kolinaircon.com.ph            | 35    | 20-2008-000002       |
| www.kolin.ph         | 35    | (Appl) 20-2007-000009 | www.kolinaircon.ph                | 35    | 20-2008-000003       |
|                      |       |                       | www.kolinaircon.com.ph            | 35    | 20-2011-000007       |

There is no dispute that the competing marks are identical, their labels bearing the word KOLIN. Being the prior adopter and user of the mark KOLIN in the Philippines (1989), Opposer is considered the owner of the mark pursuant to the requirement under the old Trademark law<sup>6</sup> that actual use in commerce in the Philippines is an essential prerequisite for the acquisition of ownership over a trademark. Sec. 2 of R.A. 166 provides that:

Sec. 2. *What are registrable.* – Trade-marks, trade-names, and service-marks owned by persons corporations, partnership or associations domiciled in the Philippines and by persons, corporations, partnerships or associations domiciled in any foreign country may be registered in accordance with the provisions of this Act: ***Provided, That said trade-marks, trade-names, or service-marks are actually in use in commerce and services not less than***

<sup>5</sup> Marked as Exhibits "1" to "20", inclusive.

<sup>6</sup>Republic Act No. 166 (An Act To Provide for the Registration and Protection f Trademarks, Trade-names and Service-Marks, defining Unfair Competition and False Marking and Providing Remedies against the same, and for other purposes.



**two months in the Philippines before the time the applications for registration are filed:** *And provided, further,* That the country of which the applicant for registration is a citizen grants by law substantially similar privileges to citizens of the Philippines, and such fact is officially certified, with a certified true copy of the foreign law translated into the English language, by the government of the foreign country to the Government of the Republic of the Philippines. (Emphasis supplied)

Opposer, as prior adopter and user of the mark KOLIN in the Philippines, is engaged in the business of manufacturing, distributing, and selling of electronic products such as automatic voltage regulators, converters, rechargers, transformers, and amplifiers. Opposer, therefore, anchored its arguments that it is the owner of the mark KOLIN by virtue of prior use and that, at the time it filed the mark for registration, Respondent-Applicant had no existing registration nor pending application for its mark KOLIN in the Philippines.

Respondent-Applicant's principal, Taiwan Kolin Co., Ltd., on the other hand, is the owner of the mark KOLIN by virtue of prior use and registration abroad, long before the Opposer was able to register its KOLIN trademark in the Philippines. Respondent-Applicant, as registered owner of the trademark KOLIN, is engaged in the sale, distribution, advertising and promotion of a wide range of home appliances, including but not limited to, TV sets, air conditioners, refrigerators, washers and dehumidifiers. The origin of ownership and use of the KOLIN trademarks dates back to the 60s when the founder, Mr. Ko-Chun Lee, established Taiwan Kolin Company in 1963 at San Chung City, Taipei Hsien. Major products during that time included black and white TV sets. The Company expanded in 1986 and invested in KOLIN other home electrical products consisting of air conditioners and refrigerators. Taiwan Kolin Company's right/s to the mark KOLIN for its home electrical products is registered and recognized both in China and in Taiwan, R.O.C. since 1986. In 1996, Kolin Philippines International, Inc. (KPII) was established and opened its Kolin Commercial Building, the company headquarters along Magallanes in Makati. Before Opposer was able to register the mark KOLIN here in the Philippines, the KOLIN trademarks have been used for a considerable length of time by Respondent-Applicant's principal, Taiwan Kolin Company in China and in Taiwan for its wide range of home electrical products.<sup>7</sup>

The Respondent-Applicant's principal, Taiwan Kolin Co. Ltd.'s filing of its trademark application in 2002 is subsequent to the Opposer's trademark application in the Philippines (1993). In this regard, this Bureau emphasizes that 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 of registration. A trademark is an industrial property and the owner thereof has property rights 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

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<sup>7</sup>Exhibits 10-11-g, Respondent-Applicant.

“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 *Berris v. Norvy Abyadang*<sup>8</sup>, the Supreme Court held:

The ownership of a trademark is acquired by its registration and its actual use by the manufacturer or distributor of the goods made available to the purchasing public. Section 122 of the R.A. 8293 provides that the rights in a mark shall be acquired by means of its valid registration with the IPO. A certificate of registration of a mark, once issued, constitutes *prima facie* evidence of the validity of the registration, the registrant's ownership of the mark, and of 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. R.A. 8293, however, requires the applicant for registration or the registrant to file a declaration of actual use (DAU) of the mark, with evidence to that effect, within three (3) years from the filing of the application for registration; otherwise, the application shall be refused or the mark shall be removed from the register. In other words, the *prima facie* presumption brought about by the registration of a mark may be challenged and overcome, in an appropriate action, by proof of the nullity of the registration or of non-use of the mark, except when excused. Moreover, the presumption may likewise be defeated by evidence of prior use by another person, i.e., it will controvert a claim of legal appropriation or of ownership based on registration by a subsequent user. This is because a trademark is a creation of use and belongs to one who first used it in trade or commerce. (Underscoring supplied)

By virtue of Respondent-Applicant's principal's use of the mark KOLIN since the 60s in connection with its home electrical products, Respondent-Applicant has vested rights to and is the owner of the same. Trademark ownership inures to the legal entity who is in fact using the mark as a symbol of origin.

Moreover, in a decision rendered by the Supreme Court on 14 April 2015 in the case of “Taiwan Kolin Corporation, Ltd., vs. Kolin Electronics Co”<sup>9</sup>, the Supreme Court held that:

“While both competing marks refer to the word ‘KOLIN’ written in upper case letters and in bold font, the court at once notes the distinct visual and aural differences between them: Kolin Electronics’ mark is italicized and colored black while that of Taiwan Kolin is white in pantone red color background. The differing features between the two, though they may appear minimal, are sufficient to distinguish one brand from the other.

“It cannot be stressed enough that the products involved in the case at bar, are generally speaking, various kinds of electronic products. These are not ordinary consumable household items, like catsup, soy sauce or soap which are of minimal cost. The products of the contending parties are relatively luxury items not easily considered affordable. Accordingly, the casual buyer is predisposed to be more cautious and

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<sup>8</sup> G.R. No. 209843, 14 April 2015.

<sup>9</sup>Appeal No. 14-09-63 Decision No. 2012-200 dated 15 October 2012.

discriminating in and would prefer to mull over his purchase. Confusion and deception, then, is less likely. As further elucidated in *Del Monte Corporation v. Court of Appeals*:

x x x

"Respondent has made much reliance on Arce & Sons, Chua Che, Ang, and Khe, oblivious that they involved common household items – i.e., biscuits and milk, cosmetics, clothes and toilet articles, respectively – whereas the extant case involves luxury items not regularly and inexpensively purchased by the consuming public. In accord with common empirical experience, the useful lives of televisions and DVD players last for about five (5) years, minimum, making replacement purchases very infrequent. The same goes true with converters and regulators that are seldom replaced despite the acquisition of new equipment to be plugged onto it. In addition, the amount the buyer would be parting with cannot be deemed minimal considering that the price of televisions or DVD players can exceed today's monthly minimum wage. In light of these circumstances, it is then expected that the ordinary intelligent buyer would be more discerning when it comes to deciding which electronic product they are going to purchase, and it is this standard which this Court applies herein in determining the likelihood of confusion should petitioner's application be granted.

"To be sure, the extant case is reminiscent of *Emerald Garment Manufacturing Corporation v. Court of Appeals*, wherein the opposing trademarks are that of Emerald Garment Manufacturing Corporation's 'Stylistic Mr. Lee' and H.D. Lee's 'LEE'. In the said case, the appellate court affirmed the decision of the Director of Patents denying Emerald Garment's application for registration due to confusing similarity with H.D. Lee's trademark. This Court, however, was of a different beat and ruled that there is no confusing similarity between the marks, given that the products covered by the trademark, i.e., jeans, were, at that time, considered pricey, typically purchased by intelligent buyers familiar with the products and are more circumspect, and, therefore, would not easily be deceived. As held:

x x x

"Consistent with the above ruling, this Court finds that the differences between the two marks, subtle as they may be, are sufficient to prevent any confusion that may ensue should petitioner's trademark application be granted. As held in *Esso Standard Eastern, Inc.*:

x x x

"All told, We are convinced that petitioner's trademark registration not only covers unrelated good, but is also incapable of deceiving the ordinary intelligent buyer. The ordinary purchaser must be thought of as having, and credited with, at least a modicum of intelligence to be able to see the differences between the two trademarks in question."

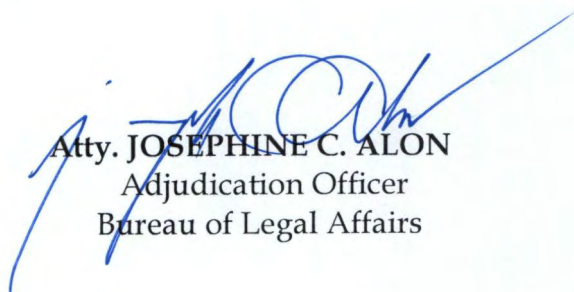
Respondent-Applicant's principal, Taiwan Kolin Co. Ltd., as the true owner and originator of the mark KOLIN, its subsidiary, herein Respondent-Applicant, may maintain websites [www.kolinaircon.com.ph](http://www.kolinaircon.com.ph) (Reg. No. 20-2008-000002), [www.kolinaircon.ph](http://www.kolinaircon.ph) (Reg. No. 20-2008-000003), [www.kolinaircon.com.ph](http://www.kolinaircon.com.ph) (Reg. No. 20-2011-0000070) including the mark [www.kolinphil.com.ph](http://www.kolinphil.com.ph), subject of this opposition, under Class 35.

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 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>10</sup> This Bureau finds that the Respondent-Applicant's mark sufficiently serves this function.

**WHEREFORE**, premises considered, the Notice of Opposition is, as it is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2008-000001, together with a copy of this Decision, be returned to the Bureau of Trademarks for appropriate action.

**SO ORDERED.**

Taguig City, 23 DEC 2016.



Atty. JOSEPHINE C. ALON  
Adjudication Officer  
Bureau of Legal Affairs

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<sup>10</sup>Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.