

TOTAL S.A.,
Opposer,

-versus-

TOTACHI INDUSTRIAL PTE LTD.,
Respondent-Applicant.

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IPC No. 14-2014-00546

Opposition to:

Appln. No. 4-2014-011224

Date Filed: 09 September 2014

TM: TOTACHI

NOTICE OF DECISION

SYCIP SALAZAR HERNANDEZ & GATMAITAN

Counsel for Opposer

4th Floor, SyCipLaw Center

105 Paseo de Roxas, Makati City 1226

NICOLAS & DE VEGA LAW OFFICES (NDV LAW)

Counsel for Respondent- Applicant

16th Floor, Suite 1607 AIC Burgundy Empire Tower

ADB Avenue corner Sapphire & Garnet Roads,

Ortigas Center, 1605 Pasig City

GREETINGS:

Please be informed that Decision No. 2017 - 247 dated 22 June 2017 (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, 23 June 2017.

MARILYN F. RETUTAL

IPRS IV

Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio,

Taguig City 1634 Philippines • www.ipophil.gov.ph

T: +632-2386300 • F: +632-5539480 • mail@ipophil.gov.ph

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Opposer,

-versus-

TOTACHI INDUSTRIAL PTE LTD,

Respondent-Applicant.

x-----x

IPC No. 14-2014-00546

Opposition to:

Application No. 4-2014-011224

Date Filed: 9 September 2014

Trademark: "TOTACHI"

Decision No. 2017- 247

DECISION

TOTAL S.A.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-011224. The application, filed by Totachi Industrial PTE LTD² ("Respondent-Applicant"), covers the mark "TOTACHI" for use on "automotive lubricants, greases" under Class 04 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
"DISCUSSION

"19. Section 123.1 (d) and (e) of the IP Code provides:

x x x

"20. Under prevailing jurisprudence on the matter, the dominance test, as now incorporated under Section 155 of the IP Code, may be applied to test the existence of confusing similarity. The dominance test focuses on the similarity of the prevalent features of the competing marks that might cause confusion and deception. Under this test, courts give greater weight to the similarity of the appearance of the product arising from the adoption of the dominant features of the registered mark, disregarding minor differences. As held in the case of McDonald's corporation and McGeorge Food Industries, Inc. vs. L.C. Big Mak Burger, Inc. et. al. (G.R. No. 143993, August 18, 2004):

"21. Applying the dominance test, it is clear that Respondent-Applicant's TOTACHI mark results in likelihood of confusion.

x x x

"a. When looked at side by side in their entirety, it can readily be observed that Respondent-Applicant's mark TOTACHI and Opposer's TOTAL mark have the same dominant features:

¹With address at 2, place Jean Millier- La Defense 6 92400 Courbevoie, France.

²With address at 6 EU Tong Sen St. #10-10, Singapore, Singapore.

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

"(i) both marks dominantly make use of the letters/syllables 'TO' and 'TA';

"(ii) both marks use the color red as a predominant color; historically, the TOTAL mark has always used red as a predominant color to identify its mark, as seen below: x x x

"(iii) both marks use identical rounded typography, spelling all letters in uppercase.

"(iv) Respondent-Applicant's mark TOTACHI differentiates itself from my Opposer's TOTAL mark by merely omitting the last letter 'L' and replacing it with 'CHI'.

"(v) Respondent-Applicant's mark TOTACHI manipulates the use of the red color by reverse, the white text 'TOTACHI' in red background;

"While there may be differences in the subject marks, these do not preclude the likelihood of confusion. 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 an ordinary purchaser as to cause him to purchase the one supposing it to be the other. In *Philippine Nut Industry v. Standard Brands, Inc.*, the Supreme Court ruled that '[i]t is not necessary, to constitute trademark 'infringement', that every letter or word of a trade-mark should be appropriated, but it is sufficient that enough be taken to deceive the public in the purchase of a protected article.' Further, '[w]here a trade-mark contains a dominating or distinguishing word, and the purchasing public has come to know and designate the article by such dominating word, the use of such word by another in marking similar goods may constitute infringement though the marks aside from such dominating word may be dissimilar.' Respondent-Applicant's TOTACHI mark therefore creates a confusingly similar visual, aural, and overall impression to that of Opposer's TOTAL mark.

"b. In light of the striking similarities between the TOTACHI mark and Opposer's prior-used and registered TOTAL mark, and in light of the identity between the considered goods, Respondent-Applicant's use and registration of TOTACHI, will cause damage to Opposer. As prior Philippine user and registered owner of the mark TOTAL in respect of lubricants, Opposer has superior and exclusive rights to use the mark and this effectively precludes a subsequent user like Respondent-Applicant from using its confusingly similar mark.

"c. It is also likely that the TOTACHI mark be construed as a new mark promoted by the Opposer and part of its existing roster of trade marks. The impression that products bearing the TOTACHI mark originate from or are licensed or sponsored by Opposer shall cause

damage in case any poor quality of such products are attributed to both the Opposer and the TOTAL mark.

"d. Moreover, the goods in connection with which the TOTACHI mark are sought to be registered are identical to the goods for which Opposer's TOTAL mark is used and registered. Indeed, Respondent-Applicant intends to register the TOTACHI mark for 'automotive lubricants and greases,' whereas Opposer's TOTAL mark is used notably for lubricants. Clearly, the TOTACHI mark will be used for identical products that Opposer's priorly-registered TOTAL mark is being used.

"e. Because the goods covered by Respondent-Applicant's mark and Opposer's mark are identical, such use by Respondent-Applicant will necessarily suggest a connection between the lubricants and Opposer's products, and will mislead the public into believing that Respondent-Applicant's products originate from or are licensed or sponsored by Opposer, which has been identified in trade and by consumers as the source of the products bearing the TOTAL mark. In this regard, it is therefore very suspicious that notwithstanding a boundless choice of words, phrases and symbols, Respondent-Applicant has chosen a mark that is confusingly similar to Opposer's mark for use in respect of identical goods. Respondent's adoption of the mark TOTACHI may therefore not be due to mere chance but may be indicative of a deliberate design to ride upon the popularity of Opposer's identical products identified by its prior mark.

"22. The Rules and Regulations issued by the Intellectual Property Office to implement the IP Code provisions on trademarks set out the criteria for determining whether a mark is well-known as follows: x x x

"23. As extensively discussed above, Opposer has sufficiently met the foregoing criteria through its extensive registrations, proof of use, promotion and/or advertising, which resulted in knowledge of the TOTAL mark by the relevant sector not only in the Philippines but all over the world. Opposer has presented continuing commercial use of the marks in the form of sample commercial invoices, advertising expenses, sample advertising and promotional materials in and outside the Philippines, and such other evidence that clearly prove the international renown and prior use of its TOTAL mark.

"24. There is no doubt that Opposer will be prejudiced by the registration of the TOTACHI mark as follows:

"a. The association that is created between Opposer's and Respondent-Applicant's products because of the confusingly similar used will make Respondent-Applicant's products 'self-promoting' in the commercial sense. Thus, granting the application will give Respondent-Applicant an unfair advantage because it will reap the benefits of Opposer's promotional efforts for the trademark without bearing any share of the expense and without any form of royalty to Opposer for the exploitation of the value of its trademark. To make matters worse, while thus benefitting from the use of the trademark, Respondent-Applicant would be totally beyond the control of Opposer which would have no means of ensuring the quality of Respondent-Applicant's

products and consequently, no way of preserving the reputation, popularity, and distinctiveness of Opposer's TOTAL mark.

"b. The prior use and registration of its TOTAL mark and its substantial and extensive promotion and widespread distribution of products identified by the said mark since 1998 in the Philippines also show that, as originator and first user of the mark TOTAL, Opposer has developed the goodwill and reputation of its trademark, which is easily associated with the quality petroleum products. Given the earlier use of Opposer's TOTAL mark in the Philippines, there is no reason for Respondent-Applicant, which seeks to compete in the petroleum industry, to have adopted its TOTACHI mark, other than to trade on the goodwill and reputation of Opposer's TOTAL mark. This should not be allowed since Opposer, as the owner and prior user of the internationally well-known TOTAL mark, has the right to the exclusive use of the said trademark as a symbol of goodwill that has nurtured and developed at substantial expense for a long time.

"c. The Respondent-Applicant's use and registration of the trademark TOTACHI diminishes the distinctiveness and dilutes the goodwill that Opposer has established in the TOTAL mark, among other legally recognized injuries. This alone is a clear damage and prejudice to the Opposer that justifies the rejection of Respondent-Applicant's trademark application.

"e. To reiterate, the trademark TOTAL has acquired reputation and goodwill among the relevant consumers. To protect the reputation and goodwill which said trademark has acquired among its consumers, Opposer is aggressively seeking protection against unauthorized appropriation and use by other unrelated entities of confusingly similar marks.

"f. With clear prior use of Opposer's internationally well-known TOTAL mark, there should be no doubt that Opposer opposition to Respondent-Applicant's application for the registration of a confusingly similar mark, TOTACHI, should be sustained and the application rejected in relation to 'automotive lubricants and greases' in class 04.

"25. It may be well to note that under the TRIPS Agreement, which the Philippines has ratified as part of the General Agreement on Tariffs and Trade, Opposer's TOTAL mark should be protected as a well-known trademark. Article 16 of the TRIPS Agreement provides: x x x

"26. In view of the above, and with extensive prior use as shown by local and worldwide sales of its products bearing the TOTAL mark, advertising and promotional expenses, and numerous prior trademark registrations from around the world, there should be no doubt that the present action be sustained, Opposer has more than sufficiently established that Respondent-Applicant intends to trade on Opposer's goodwill.

The Opposer's evidence consists of the Notice of Opposition; the Special Power of Attorney executed by the Opposer in favor of Sycip Salazar Hernandez & Gatmaitan; the Affidavit/s of Stephanie Polselli, the Affidavit of Olivier Jean and attached to these are the following: copies of certificates of registration of the TOTAL

mark in various jurisdictions; status report showing subsisting registrations of the TOTAL mark in class 04 all over the world; certificate of registration of the TOTAL mark in the Philippines; samples of advertising materials for Opposer's TOTAL mark; records of successful protection of TOTAL S.A.'s rights over the TOTAL trademark.⁴

This Bureau issued a Notice to Answer and sent a copy thereof upon Respondent-Applicant on 3 March 2015. The Respondent-Applicant filed their Answer on 29 June 2015 and avers the following:

x x x

"DISCUSSION

"13. Opposer alleges that Respondent-Applicant's mark is identical with Opposer's mark as to be likely to allegedly cause confusion as contemplated under Section 123 (d) (e) and (f) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines ('IP Code'). Opposer's allegation is utterly without basis. As will be shown below, Respondent-Applicant's 'TOTACHI' mark is not confusingly similar to Opposer's mark 'TOTAL', contrary to Opposer's allegations. Hence, Opposer's mark should not be cited against the registration of Respondent-Applicant's mark.

"14. It bears great emphasis that Respondent-Applicant's 'TOTACHI' mark is a composite mark. A mark consisting of a word mark and a device mark is called a composite mark. It is respectfully manifested that Respondent-Applicant's mark pertains to a composite mark considering that it consists of the coined word 'Totachi', rectangular device as a backdrop and a circular device. As amply explained by renowned expert in Intellectual Property Law Atty. Ruben E. Agpalo, citing the pronouncements of the Supreme Court in the cases of Inchausti & Co. vs. Song Fo Co. and Ong Ai Gui vs. Director of Patents.

x x x

"15. Pertinently, the Respondent-Applicant's mark consists of many elements. Accordingly, this Honorable Office should not treat these component elements as separate but should combine and harmonize the same. A combination of all these elements will certainly show that Respondent-Applicant's mark is not confusingly similar to Opposer's mark. Please see a comparison of the competing marks below.

x x x

"16. A mere visual examination of Respondent-Applicant's 'TOTACHI' and Opposer's 'TOTAL' marks will readily yield to the conclusion that they can never be confused. The word marks are wholly different and the devices are outright dissimilar.

"17. The only similarity between the two marks, as admitted by Opposer, are the text strings 'TO' and 'TA'. Other than that, there are no other same elements between the two competing marks. For sure, Opposer cannot claim

⁴Marked as Annexes "A" to "E" and Exhibits "A" to "E", inclusive.

exclusive ownership to the text strings 'TO' and 'TA'. To hold otherwise would result in an absurd situation whereby Opposer would have monopoly over thousands of words with the text strings 'TO' and 'TA'.

"18. As a composite mark, the various elements and features of both marks must be appreciated instead of taking a narrow and irrational view of only looking at the text strings 'TO' and 'TA'. Pertinently, the appended device is a product of Respondent-Applicant's imagination and creativity. Each element in the circular device symbolizes the philosophy of Respondent-Applicant in achieving harmony among PEOPLE, TECHNOLOGY and the ENVIRONMENT through its products as follows:

x x x

"19. Moreover, the interplay of the word 'TOTACHI' with the devices appended to it is fanciful and arbitrary. Thus, the mark, taken as a whole, is distinctive which distinguishes Respondent-Applicant's goods from that of Opposers.

"20. In determining whether two marks are identical or confusingly similar, the Supreme Court, in several cases, considered the marks as a whole. This requires a comparison of the marks in their entirety as they appear in their respective labels and in relation to the goods to which they are attached since the discerning eye of the observer must focus not only on the predominant words, but also on the other features appearing on the labels. In the case of Etepha v. Director of Patents, the Supreme Court held:

x x x

"21. Similarity, in the case of Emerald Garment Manufacturing Corporation vs. Court of Appeals, the Supreme Court held that in determining likelihood of confusion, the trademarks must be considered as a whole and not piecemeal. The Supreme Court enunciated:

x x x

"22. Applying the foregoing doctrines to the instant case, it is apparent that the marked differences between the competing marks will preclude the conclusion that they are similar. They differ in words, device, size, font, meaning and style as follows:

x x x

"23. From the foregoing, the marks, when taken together in their entirety, more than sufficiently differentiate one from the other and negate the possibility of confusion or deception that Section 123.1 (d) of the IP Code seeks to avoid.

"24. Following the prudent reasoning, any average consumer, even a child will never confuse 'TOTACHI' and its rectangular and circular device with Opposer's 'TOTAL' and colorful spherical device. The consuming public can easily differentiate the competing marks by a mere visual observation or reading thereof. Upon looking at the marks, it is safe to conclude that there is impossibility of confusion between them.

"25. In a catena of case, the Supreme Court has held the absence of the likelihood of confusion when the contending marks have striking dissimilarities

significant to warn any purchase that one is different from the other. Hence, in *Philipp Morris, Inc. vs. Fortune Tobacco Corporation*, the Supreme Court enunciated that the trademark 'MARK' is not confusingly similar with 'MARK VII', 'MARK TEN' and 'LARK' covering the same class and goods. In the same vein, two competing trademarks, 'BIOFERIN' and 'BUFFERIN', were held not to be confusingly similar on the basis of the difference not only in the packaging but also in the labeling in the case of *Bristol Myers Company vs. The Director of Patents and United American Pharmaceuticals, Inc.*

"26. To be sure, the difference in the packaging of two competing trademarks namely 'ALACTA' and 'ALASKA' was used by the Supreme Court in *Mead Johnson vs. N.V.J. Van Dorp, Ltd.* as a basis in ruling that the said competing trademarks are not confusingly similar.

"27. The differences of the competing marks as they respectively appear in their labels are prominent and cannot be missed. x x x

"28. An examination of the labels and packaging of Respondent-Applicant will show that stark differences between its mark and that of Opposers. Prescinding from the foregoing, the apparent and obvious differences between the competing marks, taken as a whole, using the holistic test, will preclude any likelihood of confusion.

"29. Even if we apply the dominancy test, it can still be correctly concluded that there is no confusing similarity between the contending marks. In the case of *McDonald's Corporation and McGeorge Food Industries, Inc. vs. L.C. Big Mak Burger*, the Supreme Court elucidated:

"30. Drawing wisdom from such jurisprudential pronouncement, the Honorable Office will have to consider the visual impressions created by the mark. Furthermore, the similarity of the appearance will be taken into account. As discussed above, a visual comparison of the competing marks will readily show their marked differences in appearance such that there will never be confusion between them. The dominant features of the contending marks are different. Anent Respondent-Applicant's mark, the dominant features is the whole word 'TOTACHI' while the dominant feature of Opposer's mark is the entire word 'TOTAL'.

"31. To fully appreciate the visual impression of Respondent-Applicant's trademark, the same is replicated below: x x x

"32. The dominant feature that readily catches the eye is the entire word 'TOTACHI'. Certainly, it is the first thing that anyone can see when confronted with the mark.

"33. On the other hand, Opposer's mark is depicted below: x x x

"34. As presented, the dominant feature would be the entire word 'TOTAL', not 'TO' and not 'TA'.

"35. The visual impression created by Respondent-Applicant's mark is the entire word 'TOTACHI'. On the other hand, the visual impression made by

Opposer's mark is the word 'TOTAL'. Even if we look at the visual impressions created by devices in the two marks, it can be gleaned easily that the prominent device in Respondent-Applicant's mark is the red rectangular device while the prominent device of Opposer is its spherical device composed of curving lines in blue, orange and red colors. These visual impressions cannot confuse the public as to the origin of the goods of the various marks in view of the flagrant and blatant divergences.

"36. In addition, it is well to note that the dominance test relies not only on the visual but also on the aural comparison of trademarks.

"37. Since the contending marks pertain to very dissimilar marks and words, without a doubt, they also have different aural impressions. Opposer's mark is pronounced simply as 'TO-TAL' consisting of two syllables while Respondent-Applicant's mark is pronounced as 'TO-TA-CHI' with three syllables. By mere enunciation and pronunciation alone, the competing marks are worlds apart that would prevent any likelihood of confusion.

"38. As exhaustively discussed above, utilizing the holistic test, the glaring dissimilarities of the competing marks negate any possibility of confusion. Even if we apply the dominance test, such test, will further bolster Respondent-Applicant's true claim of the absence of any likelihood of confusion because the visual and aural impressions of the competing marks vary in so many ways.

"39. Considering that there is an absence of any likelihood of confusion between the contending marks, it cannot be said that the consumers will be misled into thinking that Respondent-Applicant's mark is an expansion of the products of Opposer and that the latter will be damaged by the registration of the Subject Mark. Hence, as amply ruled in the case of La Estrella Distillery, Inc. vs. The Director of Patents: x x x

"40. Aside from the glaring fact that the two marks are absolutely different, the goods involved in the instant case are lubricants and oils for vehicles and machines. These are not your ordinary household products available on the shelf of groceries. In fact, these are technical goods whereby the consumers scrutinize these goods carefully before purchasing them.

"41. Thus, it was categorically ruled by the Supreme Court in Taiwan Kolin Corporation vs. Kolin Electronics Co., Inc.

"42. More importantly, Opposer is reminded that in determining the likelihood of confusion, the basis is the ordinary purchaser who is familiar with the goods in issue. Wisdom may be gathered from the ruling of the Supreme Court in Philip Morris, Inc. vs. Fortune Tobacco Corporation where it held:

x x x

"43. The ordinary purchasers must be thought of as having, and credited with, at least a modicum of intelligence to be able to see the obvious differences between the two trademarks in question. Hence, buyers of lubricants for their vehicles or machines know their brand and cannot be confused by the similarity of a few letters. Should the consumers switch to Respondent-Applicant's products, it

is not because they are deceived and confused but because they feel that Respondent-Applicant's products give efficiency to their vehicles and machines.

"44. Employing the doctrines enunciated above, the ordinary intelligent buyer clearly knows that whenever he buys motor lubricants bearing the trademark 'TOTACHI', these goods were manufactured by Respondent-Registrant. It will never cross his mind that these lubricants originate from or were sponsored by Opposer. Neither can Opposer, in a general sweeping single statement allege that Respondent-Applicant's use of its trademark and trade name will dilute and diminish its trademark in the absence of similarity between the marks.

"45. Opposer appears to be undermining the popularity and reputation of goods bearing the 'TOTACHI' trademark. In its own right, the Respondent-Applicant has gained popularity with the consuming public wrought by years of research and development and the dedication of the people behind these products.

"46. For a better appreciation and understanding of this premise, a brief discussion on Respondent-Applicant's history is in order.

"47. Sometime in 1998, a group of chemical engineers founded Totachi Industrial Co. Ltd. which was established in Sapporo City, Japan in order to manufacture engine oils and special fluid product lines. In a span of only two (2) years, Totachi Industrial Co. Ltd. found its niche in the Japanese market.

"48. Totachi Industrial Co. Ltd. established its Otaru Branch in 2000 in order to bring in a new level of foreign trade development of its products. It also launched its lubricants product line for passenger cars in 2003.

"49. It was in 2004 when Totachi Industrial Co. Ltd. entered the international market and began actively supplying its products in the South East Asia and Asia Pacific countries. Hence in 2008, Totachi Industries Co. Ltd. launched its antifreeze, coolants and oils line for automated factories. Pertinently, new production sites in Japan and Asia-Pacific countries were opened.

"50. Due to the international success and renown of the products of Totachi Industries Co. Ltd., it established the Respondent-Applicant Totachi Industrial Pte. Ltd. in Singapore as its official representative office and logistics center for the optimization of products manufacturing and shipping to Europe and South East Asian Countries.

"51. Presently, Respondent-Applicant is known for its comprehensive range of lubrication products. A testament to Respondent-Applicant's unmatched quality standards is its strong foothold in the Asian market and an extensive network in over twenty (20) countries.

"52. It bears great emphasis that Respondent-Applicant worked arduously to popularize its products bearing the Subject Mark. Respondent-Applicant has been extensively promoting its products globally through different marketing and advertising campaigns. Utilizing the various forms of media such as newspaper, magazines, television, radio and promotional brochures, Respondent-Applicant has spent tremendous time, effort and money in order to establish the goodwill

and reputation of its products bearing the Subject Mark. A picture of Highway Magazine showing Respondent-Applicant's advertisement is attached herein as Exhibit '4'. Furthermore, a sampling of Respondent-Applicant's promotional brochures are attached herein x x x

"53. Respondent-Applicant has a website namely www.totachi.com which may be accessed in three major international languages namely English, Japanese and Russian. Customers all over the globe may visit such website to learn more about the products of Respondent-Applicant bearing the Subject Mark. x x x

"54. In line with strategic advertising and business planning, Respondent-Applicant's products are sold and advertised worldwide. Attached as Exhibits '7' and '7-A' are photographs showing Respondent-Applicant's billboards in Cambodia. Moreover, attached herein as Exhibit '8' is a photograph of Respondent-Applicant's billboard in Russia showcasing its trademark.

"55. A sampling of evidences of Respondent-Registrant's sale and distribution of its goods bearing the Subject Mark in various countries is attached herein according to the table below:

"56. In addition, the Certificate of Origin/Processing evidencing exportation of its products bearing the Subject Mark is hereby attached as x x x

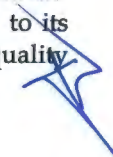
"57. Pertinently, Respondent-Applicant's motor oil product has received the seal of approval by Porsche for its vehicles. Attached herein as Exhibit '15' is the Motor Oil Approval letter issued by Porsche.

"58. Respondent-Applicant is also actively marketing its products in the Philippines. Attached herein as Exhibit '16' is a promotional brochure of the Respondent-Applicant for the Philippine market. Through its distributor, Respondent-Applicant has introduced and sold its products in the Philippines. Attached herein as Exhibits '17' and '17-A' are invoices evidencing sale in the Philippines.

"59. This hard work bore fruit as Respondent-Applicant's products bearing the Subject Mark gained popularity amongst the consuming public both locally and in the international sphere.

"60. Seeing the need for protecting this hard-earned goodwill, Respondent-Applicant applied for and was granted trademark registrations for the Subject Mark in different parts of the world. A sampling of evidences of trademark registration of the Subject Mark in favor of Respondent-Applicant in various countries are hereby attached in accordance with the table below: x x x

"61. As can be gleaned from the foregoing facts, Respondent-Applicant has acquired renown in its own right as the leading manufacturer and distributor of lubricants, oil and related products bearing the Subject Mark. Respondent-Applicant's selling strategy and product mix are unique and peculiar only to its products bearing the 'TOTACHI' trademark. The Japanese heritage and quality are inherent in its TOTACHI products.



"62. The obvious differences between the two marks and Respondent-Applicant's renown in the international market preclude any likelihood of confusion to warrant the rejection of Respondent-Applicant's application for its mark.

"63. The attention of the Honorable Office is respectfully called to the fact that the subject mark 'TOTACHI' forms part of Respondent-Applicant's trade name Totachi Industrial Pte Ltd.

"64. A trade name is the name or designation identifying or distinguishing an enterprise. The ownership of a trademark or trade name is a property right which the owner is entitled to protect since there is damage to him from confusion or reputation or goodwill in the mind of the public as well as from confusion of goods. In the case of Converse Rubber Corp. vs. Universal Rubber Products, the Philippine Supreme Court enunciated: x x x

"65. Such premise is sustained by the authorities to the effect that 'Since it is the trade and not the mark that is to be protected, a trademark acknowledges no territorial boundaries of municipalities or states or nations, but extends to every market where the trader's goods have become known and identified by the use of the mark.

"66. Parenthetically, Article 8 of the Convention of the Union of Paris for the Protection of Industrial Property, to which the Philippines became a party on 27 September 1965, provides: x x x

"67. The object of the Convention is to accord a national of a member nation extensive protection 'against infringement and other types of unfair competition'. Such mandate finds implementation in Section 165.2 of IP Code which provides: x x x

"68. As can be seen above, the trade name of the Respondent-Applicant is protected whether or not it is registered. Considering that the Philippines, Singapore and Japan are all signatories to the Paris Convention, it would be a clear derogation or violation of the Paris Convention to refuse registration of the Subject Mark when such forms part of the trade name of the Respondent-Applicant. In addition, statutory laws and jurisprudence show that indeed, it is their primordial intent to afford protection to said property right and safeguard duly acquired and vested rights, such as that possessed by the Respondent-Applicant. It has been held that a trade name is the instrumentality to protect the continued enjoyment of man's trade reputation and goodwill that flows from it, free from unwarranted interference by others.

"69. Thus, the Honorable Office cannot deny the Respondent-Applicant the right to use its trade name as a trademark considering that the use of a trade name is afforded protection by existing laws and treaties to which the Philippines ardently adheres to.

"70. In view of the foregoing, it would cause great prejudice to Respondent-Applicant if it will be deprived of the right to use its trade name and trademark by the mere frivolous claim of Opposer. Over the years, Respondent-Applicant has arduously built its reputation in the international market. This reputation is

embodied in its trade name and trademark. To deny Respondent-Applicant's legal right to lay claim over its mark is violative of Philippine laws and jurisprudence as well as international covenants.

"71. Opposer has miserably failed to establish that there is confusing similarity between the contending marks. Neither was Opposer able to satisfy the holistic test nor the dominancy test to prove the likelihood of confusion. In view of the foregoing, the evidences attached to the Opposition and assertions made by Opposer relating to its use of its mark 'TOTAL' find no significance to the instant case. Thus, they must be considered as irrelevant and immaterial by this Honorable Office for which no legal right can spring from.

"72. Neither can its blanket assertion of being a well-known mark afford Opposer any relief. As held by the Supreme Court in *Great White Shark Enterprises, Inc. vs. Caralde*: x x x

"73. In *American Cyanamid Company vs. The Director of Patents*, the Supreme Court categorically ruled that 'absent a finding of confusing similarity between the two trademarks, the priority in the use of the marks SULMET by the petitioner will have no decisive effect in the granting of his petition for cancellation of the registration of respondent trademark.

"74. This doctrine has been echoed in the decisions of this Honorable Office in numerous cases, to wit: x x x

"75. Taking wisdom from the pronouncements of this Honorable Office, Opposer's evidences of use of its mark are irrelevant and immaterial since there is no confusing similarity. Neither can Opposer's evidences prove its alleged 'damage' from the registration of Respondent-Applicant's mark. To be sure, it is a basic rule of law that allegations must be specifically proven. x x x

"76. On a final note, the Supreme Court has consistently held that the essence of trademark registration is to give protection to the owners of the trademark. x x x

"77. Respondent-Applicant is the prior user and filer of the Subject Mark. It has popularized its products bearing the Subject Mark in various parts of the world, including the Philippines. For years, Respondent-Applicant has exerted much time, effort, research and money to come up with products that will be patronized by many. To allow Opposer to defeat these legal rights based on unmeritorious claims will render nugatory the thrusts of protection of intellectual property.

"78. The Supporting Affidavit executed by Norieva de Vega, Respondent-Applicant's authorized representative is accordingly attached as Exhibit '19' to attest to the facts stated in this Verified Answer.

The Respondent-Applicant's evidence consists of the Secretary's Certificate and Special Power of Attorney executed by Respondent-Applicant in favor of Nicolas & De Vega Law Offices appointing the latter as Respondent-Applicant's agent or representative in this opposition case; pictures of the goods of Respondent-Applicant

bearing its trademark; a picture of Highway Magazine showing Respondent-Applicant's advertisement; a sampling of Respondent-Applicant's promotional brochures; screenshot photographs of the website www.totachi.com; photographs showing Respondent-Applicant's billboards; a photograph of Respondent-Applicant's billboard; several invoices issued in some countries to show Respondent-Applicant's sale and distribution of its goods bearing the mark TOTACHI; a copy of the Certificate of Origin/Processing showing exportation of Respondent-Applicant's products bearing the mark TOTACHI; a copy of the Motor Oil Approval letter issued by Porsche; a copy of promotional brochure of the Respondent-Applicant for the Philippine market; copies of invoices showing sale in the Philippines of Respondent-Applicant's products; some registrations of the trademark; and the Affidavit of Norieva de Vega, Respondent-Applicant's authorized representative.⁵

On 14 July 2016, the Preliminary Conference was terminated and the parties were directed to file their respective position papers. Thereafter, the case was deemed submitted for resolution.

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

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

Sec. 123.Registrability. – 123.1. A mark cannot be registered if it:

x x x

- (d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of :
 - (i) The same goods or services, or
 - (ii) Closely related goods or services, or
 - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;"
- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

⁵ Marked as Exhibit s "1" to "19", inclusive.

Records show that at the time the Respondent-Applicant filed its trademark application on 9 September 2014, the Opposer has an existing trademark registration for the mark TOTAL + LOGO (IN COLORS) under Reg. No. 4-2003-5196 issued on 22 June 2007. The registration covers goods and services under Classes 1, 4, 5, 17, 19, 35, 36, 37, 39, 40, 42, 43. On the other hand, Respondent-Applicant's trademark application for the mark TOTACHI under Application Serial No. 4-2014-011224 covers "automotive lubricants, greases" under Class 4.

Hence, the question, does TOTACHI resemble TOTAL + LOGO (IN COLORS) such that confusion or deception is likely to occur? The marks are shown below:



Opposer's trademark



Respondent-Applicant's mark

Although the contending marks have the same letters T, O, T, A, the visual and aural properties in respect of the Respondent-Applicant's mark has rendered said mark a character that is distinct from the Opposer's. True, both Opposer's and Respondent-Applicant's marks bear the first four (4) letters, "T," "O," "T," and "A", however, the use of these letters do not create for or confer upon Opposer the right to exclusively appropriate these first four (4) letters. No one has exclusive use to it. Corollarily, an opposition cannot be sustained solely for the reason that the contending marks both contain the first four (4) letters. The determination whether there is confusing similarity would depend on the evaluation of the other words, letters, devices or features that are added to these letters "TOTA". Respondent-Applicant's TOTACHI mark, a composite mark, consists of a rectangle having a curved bottom portion in red color. Inside the rectangle is the word "TOTACHI" in bold and stylized font. At the left side of the word "TOTACHI" is a circle with stylized lines. On the other hand, Opposer's trademark, TOTAL + LOGO (IN COLORS), a composite mark as well, consists of a stylized spherical form with three colored curves interlacing associated with the name "TOTAL" in red stylized lettering.

Likewise, Opposer's word mark TOTAL, is an English word, meaning, comprising and constituting a whole⁶, while the TACHI in Respondent-Applicant's

⁶ <https://www.merriam-webster.com/dictionary/total>

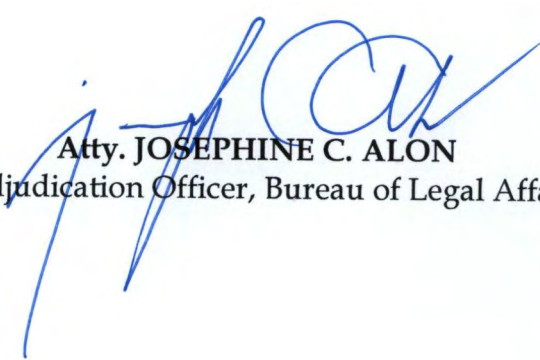
word mark TOTACHI is a "suffix used in the Japanese language to indicate that a word refers to a group" or "A *tachi* (太刀) was a type of traditionally made Japanese sword (nihonto) worn by the samurai class of feudal Japan".⁷ The use of the letters "T", "O", "T" and "A" may constitute a valid trademark particularly in combination with another word and/or logo, and for as long as it can individualize the goods of a trader from the goods of its competitors, as it was in this case.

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.⁸ This Bureau finds that the Respondent-Applicant's mark sufficiently serves this function.

WHEREFORE, premises considered, the instant Opposition is hereby DISMISSED. Let the filewrapper of Trademark Application Serial No. 4-2014-011224 together with a copy of this Decision be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 22 JUN 2017.


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

⁷ <https://en.wikipedia.org/wiki/Tachi>

⁸ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.