KENSONIC, INC., *Opposer,* **-versus-** **KABUSHIKI KAISHA BUNRI doing business as BUNRI INCORPORATION,** *Respondent-Applicant.*	}	**IPC No. 14-2015-00379** Opposition to: Appln. Serial No. 4-2015-502222 Date Filed: 24 April 2015 **TM: BUNRI SAKURA**

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NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 282 dated 29 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, 03 July 2017.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

KENSONIC, INC.,
Opposer,

- versus -

KABUSHIKI KAISHA BUNRI doing business as BUNRI INCORPORATION,
Respondent-Applicant.

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IPC NO. 14 – 2015- 00379

Opposition to:
Application No. 42015502222

TM: "BUNRI SAKURA"

DECISION NO. 2017 - 282

D E C I S I O N

KENSONIC, INC. (Opposer) [1] filed an Opposition to Trademark Application No. 4-2015-502222. The application filed by KABUSHIKI KAISHA BUNRI (Respondent-Applicant)[2], covers the mark "BUNRI SAKURA" for used on "*filtering machines*" under Class 7 of the International Classification of Goods[3]

The Opposer's material allegations are quoted as follows:

1. The registration of the mark is contrary to the provisions of Sections 123.1 (d) of Republic Act No. 8293, as amended, which prohibits the registration of a mark that:

   "(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;

2. The Opposer is the owner and prior user of the SAKURA mark. The SAKURA mark is the subject of a prior pending application filed with

[1] A corporation organized and existing under laws of Japan with address at 12-1 Yurakucho 1-chome, Chiyoda-ku Tokyo, Japan.
[2] Natural Person with principal address at 14 F. Bangoy St. Davao City, Davao del Sur, Philippines.
[3] *The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.*

the Philippine Intellectual Property Office on 14 May 2014 in the name of the Opposer covering a wide range of goods in Classes 7 and 11 under Trademark Application No. 4-2014-502077.

3. The Opposer is the owner and prior user of the SAKURA mark since 1994 and first applied for the same in 2001 for goods in class 9 under Trademark Application No. 4-2001-005131, long before the Respondent-Applicant's application for BUNRI SAKURA. The Opposer is also the registered owner of the SAKURA mark in Class 35 under Trademark Application No. 4-2014-502078.

4. The Opposer has used the SAKURA mark since 1994. The ownership and prior use by the Opposer of the SAKURA mark has been previously affirmed by the Hnorable Bureau of Legal Affairs in cases against another party, as follows:

4.1 In the case of *KENSONIC INC. vs UNI-LINE MULTI RESOURCES, INC.*[4], the HONORABLE Bureau of Legal Affairs, in its Decision dated 29 November 2005, held that:
"The overwhelming evidence on record which has not been contradicted nor disputed will clearly show that it was the **Opposer (KENSONIC, INC.) which first adopted and used the mark 'SAKURA' in commerce in the Philippines since 1994**. On the other hand, the earliest sales invoice presented in evidence by Respondent-Applicant was only on the year 2001."[5]
x x x

4.2 In the case of *KENSONIC INC. vs UNI-LINE MULTI RESOURCES, INC.*[6], the Honorable Bureau of Legal Affairs, in its Decision dated 7 August 2008, held that:
"There being evidence presented by Petitioner (KENSONIC, INC.) to overcome the presumption of validity of Respondent's registration, the petition to cancel the registration on such ground must necessarily be sustained. **This Bureau finds that petitioner was able to prove by substantial evidence its ownership of the subject mark (SAKURA) and the exclusive right to use such goods that are related thereto to the exclusion of respondent-registrant which right was acquired under Section 2-A of R.A. 166, and preserved under Section 236 of the new IP Code."**[7]
x x x

5. The dominant element of Respondent-Applicant's mark – SAKURA – completely appropriates the Opposer's SAKURA mark. The Respondent-Applicant's BUNRI SAKURA mark is confusingly similar to the Opposer's mark SAKURA as to likely deceive or cause public confusion.

6. The use of Respondent-Applicant's BUNRI SAKURA on goods in class 7, which are identical/ or closely related to the goods on which the

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[4] IPC No. 14-2004-00160
[5] P. 5, Decision No. 2005-21, 29 November 2005.
[6] IPC No. 14-2006-00183.
[7] p. 11, Decision No. 2008-113, 7 August 2008.

Opposer's SAKURA mark has been applied for registration will deceive consumers by suggesting a connection, association or affiliation with the Opposer, thereby causing substantial damage to the goodwill and reputation associated with the Opposer's SAKURA mark.

7. Opposer has used the SAKURA mark in the Philippines as early as 1994, which is prior to and long before the filing date of the Respoondent-Applicant's BUNRI SAKURA mark. The Opposer continues to use the SAKURA mark in the Philippines.

8. The Opposer has also extensively promoted the SAKURA mark. Over the years, the Opposer has obtained significant exposure for the goods upon which the SAKURA mark is used in various media.

9. Opposer has not consented to the Respondent-Applicant's use and application of the BUNRI SAKURA mark or any other mark identical or similar to its SAKURA mark.

10. The use by Respondent-Applicant of the BUNRI SAKURA mark for goods in class 7, i.e., filtering machines, which goods are identical or closely related to "machines" covered by the Opposer's earlier trademark application under Trademark Application No. 4-2014-502077, will mislead the purchasing public into believing that the Respondent-Applicant's goods are produced by. Originate from, or are under the sponsorship of the Opposer. Potential damage to the Opposer will also be caused as result of its inability to control the quality of the products offered or put on the market by the Respondent-Applicant under the BUNRI SAKURA mark.

11. Opposer's Trademark Application No. 4-2014-502077 also covers goods in Class 11, "apparatus for . . . water supply and sanitary purposes." These apparatus include "water filtering apparatus," which are closely-related to "filtering machines" covered by the mark being opposed.

12. Filtering machines in Class 7 is within the zone of natural expansion of the business of the Opposer, which has applied for the SAKURA mark in Class 7 for "machines," among others and in Class 11 for "apparatus for . . . water supply and sanitary purposes." The registration and use by Respondent-Applicant of the BUNRI SAKURA mark in Class 7 for "filtering machines" limits the right of the Opposer to naturally expand its business.

13. The use by the Respondent-Applicant of the BUNRI SAKURA mark in relation to goods in Class 7, being identical or closely related to the Opposer's goods and business, will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer's SAKURA mark.

14. The denial of the application for the BUNRI SAKURA mark is authorized under other provisions of the IP Code (Republic Act No. 8293).

To support its claims, the Opposer submitted the following Exhibits:

Exhibit "A" – Verified Notice of Opposition;

Exhibit "B" – Affidavit of Mr. Kristoffer Tsang;

Exhibit "C" – Trademark Application No. 4-2001-005131;

Exhibit "D" – print out of Trademark Regidtration No. 4-2014-502078;

Exhibit "E" – copy of the decision in the cae of Kensonic Inc. vs. Uniline Multi Resources Inc. decided on 29 November 2005;

Exhibit "F" – copy of the decision in the cae of Kensonic Inc. vs. Uniline Multi Resources Inc. decided on 7 August 2008;

Exhibit "G" – Officer's Certificate and Power of Attorney; and

Exhibit "H" – Secretary's Certificate authorizing Mr. Kristoffer Tsang to issue Officer's Certificate and Power of Attorney;

A Notice to Answer was issued on 4 November 2015 and served a copy to the Respondent-Applicant on 12 November 2015. However, the Respondent-Applicant did not file an Answer to the Opposition. This Office issued an Order dated declaring the Respondent-Applicant in default. Consequently, this case was submitted for Decision.

The issue to be resolved in the instant case is whether the Respondent - Applicant should be allowed to register the trademark "BUNRI SAKURA"

This Opposition is primarily based on Section 123.1, paragraph (d), of Republic Act No. 8293 also known as the Intellectual Property Code of the Philippines ("IP Code") which provides that a mark cannot be registered 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 mark as to be likely to deceive or cause confusion.

The records shows that at the time of the Respondent-Applicant filed its trademark application on 24 April 2015, the Opposer has an existing trademark application for "SAKURA" for Class 7 and 11 covering, among others, machines machine tools, water supply and sanitary purposes.[8] In fact, the Opposer first applied for the mark as early as the year 2001.[9]

[8] Trademark Application No. 4-2014-502077
[9] Trademark Application No. 4-2001-005131

Undoubtedly, the two competing trademarks are being used on similar or closely related goods. Thus, there is a need to determine whether the competing trademarks are confusingly similar.

The competing marks are reproduced below for comparison:

SAKURA	BUNRI SAKURA
Opposer's Trademark	Respondent-Applicant's Trademark

The word "SAKURA" is the most dominant feature of the two contending wordmarks. Although the Respondent-Applicant's trademark has another word "BUNRI" the same does not negate the fact that it is the word Sakura which will draw the eyes and ears of the buying public. It is the distinguishing word that will be remembered by the buying public. The additional word BUNRI did not separate or distinguishing identity from the dominant word Sakura.

In our jurisdiction, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake. It would be sufficient, for purposes of the law that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.[10] Corollarily, the law does not require actual confusion, it being sufficient that confusion is likely to occur.[11] Because the junior registrant will use his mark on goods that are similar and/or closely related to the senior registrant, the consumer is likely to assume that the junior registrant goods originate from or sponsored by the senior registrant, which in the instant case is the Petitioner or believe that there is a connection between them, as in a trademark licensing agreement. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:[12]

> Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the

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[10] American Wire & Cable Co. vs. Director of Patents, et. al., G.R. No. L-26557, February 18, 1970
[11] Philips Export B.V. et. al. vs. Court of Appeals, et. al., G.R. No. 96161, February 21, 1992
[12] Converse Rubber Corporation vs. Universal Rubber-Products, Inc. et. al. G.R. No. L27906, January 8, 1987

> confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

Verily, the field from which a person may select a trademark is practically unlimited. As in all other cases of colourable imitation, the unanswered riddle is why, of the millions of terms and combination of design available, the junior registrant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.[13]

WHEREFORE, premises considered the Opposition to the Trademark Application with Serial No. 42015502222 is hereby **SUSTAINED**. Let the filewrapper of Trademark Registration with Serial No. 42015502222 be returned, together with a copy of this Decision, to the Bureau of Trademark for information and appropriate action.

SO ORDERED.

Taguig City, 29 JUN 2017

Atty. Leonardo Oliver Limbo
Adjudication Officer
Bureau of Legal Affairs

[13] American Wire & Cable Company vs. Dir. Of Patent , G.R. No. L-26557, February 18, 1970.