



DAIMLERCHRYSLER AG,
Opposer,

-versus-

SANY GROUP CO., LTD.
Respondent-Applicant.

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IPC No. 14-2007-00271
Case Filed: 17 Sept. 2007
Opposition to:
Application No. 4-2006-009764
Filed on: 04 September 2006
Trademark: "**SANY &
DEVICE**"

Decision No. 08-133

DECISION

For decision is the Notice of Opposition filed by DaimlerChrysler AG (the "Opposer") against Trademark Application No. 4-2006-009764 filed by Sany Group Co., Ltd. (the "Respondent-Applicant") on 04 September 2006 for the registration of the mark "SANY & DEVICE" covering goods under Class 12, namely *buses; lorries; sports cars; motor cars; motor buses; locomotives; concrete mixing vehicles; aerial conveyor vehicles, namely airplanes; lifting cars (lift cars); material transfer vehicles; automobile bodies* upon the ground that the mark "SANY & DEVICE" is identical with and/or confusingly similar to its trademarks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE POINTED STAR IN LAUREL WREATH" and the variations thereof.

Opposer, DAIMLERCHRYSLER AG, is a corporation organized and existing under the laws of Germany, with principal address at Epplestrasse 225, 70567 Stuttgart, Germany.

On the other hand, Respondent-Applicant, SANY GROUP CO., LTD., is a corporation organized and existing under the laws of The People's Republic of China with address on record at Xingsha Development Area, Changsha, Hunan Province 410100, China.

On September 17, 2007, Opposer filed the instant Opposition against Respondent-Applicant's Application for registration of the trademark "SANY & DEVICE" for goods under Class 12, specifically: *"buses; lorries; sports cars; motor cars; motor buses; locomotives; concrete mixing vehicles; aerial conveyor vehicles, namely airplanes; lifting cars (lift cars); material transfer vehicles; automobile bodies"*.

The grounds for opposition are as follows:

- (1) "Opposer is a corporation organized and existing under the laws of Germany, with principal address at Epplestrasse 225, 70546 Stuttgart, Germany, represented herein by the law firm Hechanova Bugay & Vilchez with address at the ground floor Chemphil Building,

1

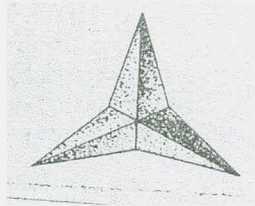
851 Antonio Arnaiz Avenue, Makati City, where Opposer may be served with legal notices and processes of this Honorable Office. A Certified True Copy of the Special Power of Attorney is attached hereto as Exhibits "A" to "A-4" and a Certified True Copy of the Certification on Non-Forum Shopping is attached hereto as Exhibits "B" to "B-2".

- (2) "Opposer is not doing business in the Philippines, but has the capacity to sue under Section 160 in connection with Section 3 of Republic Act No. 8293, known as the Intellectual Property Code of the Philippines. Opposer's home country, Germany, where it is domiciled, grants by treaty, convention or law to persons of the Philippines the privilege to bring a petition for opposition, cancellation or compulsory licensing etc., without need of a license to do business in that country.
- (3) "Opposer has its real and effective commercial establishment in Germany which country and the Philippines are members-signatory to the WTO (Uruguay Round) – TRIPS Agreement. Under Article 2.1 in relation to Article 16 and Article 42 of said Agreement, Members shall make available to right holders civil judicial procedures concerning the enforcement of intellectual property rights. Said Agreement further provides that each Member shall accord to the nationals of other Members treatment no less favorable than it accords to its own nationals with regard to the protection of intellectual property, subject to the exceptions already provided in, respectively, the Paris Convention (1967).
- (4) "The aforesaid provisions of the TRIPS Agreement have been carried into effect by Section 3 of Republic Act 8293, when it provides:

"Section 3. International Conventions and Reciprocity. – Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act."

- (5) "Respondent-Applicant is a corporation organized and existing under the laws of The People's Republic of China with address as above-stated. It may be served with notices and processes of this Honorable Office, through its resident agent of record Patentprose 1013-A Edsa, Veteran's Village, Project 7, Quezon City, as indicated in the records of the Intellectual Property Office (iPOPhil).

(6) "On 04 September 2006, Respondent-Applicant filed its trademark Application No. 4200609764 for the mark "SANY & DEVICE" for goods under Class 12, covering the goods "buses; lorries; sports cars; motor cars; motor buses; locomotives; concrete mixing vehicles; aerial conveyor vehicles, namely airplanes; lifting cars (lift cars); material transfer vehicles; automobile bodies. All the above are included in Class 12." The Respondent-Applicant's mark consists of a device which is confusingly similar to the "THREE POINTED STAR," "THREE POINTED STAR IN RIGHT," "THREE POINTED STAR IN LAUREL WREATH" and variations thereof, owned by the Opposer, for which Opposer and its goods are internationally well-known. A representation of one of the Opposer's marks, and the Respondent Applicant's mark are shown below for each reference.



(7) "The registration of the mark "Sany & Device" in the name of the Respondent-Applicant will violate and contravene the provisions of Sections 123.1 (d), (e), (f) and (g) of Republic Act 8293 (the "IP Code"), as amended, because said mark is confusingly similar to Opposer's internationally well-known trademarks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants, which cover the same or related goods in Class 12, owned, used and not abandoned by the Opposer as to be likely when applied to or used in connection with the goods of the Respondent-Applicant to cause confusion or mistake, or deceive the purchasers thereof as to the origin of the goods.

The goods covered by the Opposer's internationally well-known trademarks include:

International Class	Goods
7	Motors, parts thereof and accessories thereto; fuel pumps, injection pumps, compressors, air pumps, automobile jacks, cut-off-tools, puller tools, drill chucks, drill bits, pliers, wrenches, torque wrenches, files, scrapers, tool chests, chisels, threading drills, chasing tools, hammers, rubber hammers, reamers, sawing blades, flat-tools, edge-tools, roughing tools, twist drills, tools for use in automobile repair shops, brake fluid.

	carburetors, clutches.
9	Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, recoding, regulating and controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs, in particular cassettes, tapes, compact discs, videocassettes, data processing equipment and computers; software stored on data carriers; sunglasses, spectacles, spectacle frames; spectacle cases; compasses, fire-extinguishing apparatus, ticket dispensers.
12	Automobiles, motor trucks, parts thereof and accessories thereto; motors, internal combustion motors, electric motors, motor vehicles, motor vehicle repair and replacement parts and assemblies.
14	Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewelry, precious stones; horological and chronometric instruments; watch accessories, namely cases for watches, watch straps of metal, leather or plastic, watch chains, cufflinks, keyrings of precious and non-precious metals.
16	Paper, cardboard and goods made from these materials, not included in other classes; paper hand towels, paper serviettes, packaging container and bags of paper; stationery; adhesives for stationery or household purposes; artists materials; paint brushes; photographs; printed matters; pictures, posters, brochures, magazines, writing implements and office articles such as ballpoint and fountain pens; pencils and coloured pencils; conference bags; note-books, postcards, calendars, telephone and address books, transfers (decalcomania), transparencies, letter openers, packaging made of plastic.
18	Leather and imitation of leather and goods therefrom; handbags, briefcases, small leather goods, in particular, purses, attaches cases, keyholders; trunks and traveling bags; umbrellas, parasols, walking sticks.
24	Woven and textile goods; travel covers; textile hand towels, textile bath towels, flags; textile labels.
25	Clothing, namely t-shirts, sweatshirts, ties, gloves, anoraks, ponchos, jackets, vests, sweaters, sports shirts, shirts, pants, hosiery, coats, dresses, suits, pyjamas, scarves, belts; footwear, namely shoes, boots, bath slippers, slippers, sports shoes and beach shoes; headgear, namely hats, caps, aviator-type caps.
28	Games and playthings; gymnastic and sporting articles not included in other classes; model vehicles; playing cards.
34	Smoker's articles, namely ashtrays not of precious metal, cigarette cases, holders and lighters not of precious metals, cigar cutters, cigarette lighters not for land vehicles and matches.
37	Repair, reconditioning, replacement and servicing of motors, parts and accessories thereto, and the repair, reconditioning and servicing of motors vehicles.

(8) "The registration of the mark "Sany & Device" for goods under Class 12 in the name of Respondent-Applicant will cause grave

and irreparable injury and damage to the Opposer for which reason it opposes said application based on the grounds set forth hereunder.

- (9) "Opposer is the owner of the internationally well-known trademarks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" registered in the Philippines with the Intellectual Property Office (IPO), as early as 1959, as follows:

Mark	Registration Number	Date Issued
3-Pointed Star in Ring	002432	06 August 1959
3-Pointed Star in Laurel Wreath with words Mercedes Benz	002421	01 October 1959
3-Pointed Star in Ring	002422	15 October 1959
3-Pointed Star	002423	15 October 1959
Three-Pointed Star in Ring	002431	07 January 1960
Three-Pointed Star in Ring	002424	09 October 1979
Three-Pointed Star	002427	16 October 1981
Three-Pointed Star in Laurel Wreath with words Mercedes Benz	002429	16 October 1981
Three-Pointed Star in Ring	4-1981-036795	24 February 1987
Three-Pointed Star in Ring	42004007907	10 November 2005

Certified True Copies of the Certificates of Registration for Nos. R-2421, R-2431, R-2424, R-2427, R-2429, R-2423 and 4-1981-036795 are attached hereto and made integral parts hereof as Exhibits "C" to "C-6." Photocopies of the Certificates of Registration for Nos. R-2422 and 4-2004-007907 are attached hereto as Exhibits "C-7" to "C-9".

- (10) "As such registered marks, these are entitled to protection in the Philippines against unauthorized use or expropriation of said mark by third parties.
- (11) "Opposer is the prior adopter, user owner of the marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" in the Philippines and elsewhere around the world.

11.1 The history of Opposer's trademarks date as far back as 1909 when the "THREE POINTED STAR" was first registered in Germany by Opposer's predecessor Daimler Motoren-Gesellschaft (DMG). The "THREE POINTED STAR" symbolizes Gottlieb Daimler's ambition of universal motorization: "on land, on water and in the air." In 1910, the "THREE POINTED STAR" began to appear at the front of Mercedes cars as a design feature on the radiator.

11.2 In November 1921, DMG applied for legal protection for any new variations of their trademark and lodged with the patent

office a three-dimensional, three-pointed star enclosed in a circle ("THREE POINTED STAR IN RING"), which included the design intended for use on the radiator grille. It became a registered trademark in August 1923.

11.3 In June 1926, with the merger of DMG and Benz & Cie. Into Daimler Benz AG, another variant trademark was designed which brought together the main characteristics of the existing emblems of the two merging companies. The world renowned THREE POINTED STAR of DMBG was surrounded with its trade name "Mercedes" as well as that of the equally famous "Benz" whose laurel wreath entwined the two names together ("THREE POINTED STAR IN LAUREL WREATH"). Copy of the Mercedes Benz trademark history, as posted on Mercedes Benz official website www.mercedes-benz.com is attached hereto and made an integral part hereof as Exhibit "D" to "D-2".

11.4 In the Philippines, the "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" trademarks were registered as early as 6 August 1959.

(12) Opposer has obtained and continues to obtain registrations for the trademarks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" from the intellectual property offices of various countries around the world. Attached hereto is a Certified True Copy of the duly notarized and authenticated Affidavit of Susanne Sourell, Head of Trademarks of Opposer company, consisting of ninety eight (98) pages, each page marked as Exhibits "E" TO "E-98", detailing the history of the marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants, listing the worldwide active registrations and pending applications therefore, and identifying the various trademark registrations attached to her affidavit, the originals of which are in her custody.

(13) "Opposer's "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" marks have acquired immense and valuable goodwill as a result of enormous sums of money spent in advertising and promotions worldwide, including the Philippines.

13.1. Attached as Exhibits "F" to "F-1" are copies of representative samples of advertising materials for the international promotion of Opposer's products bearing the marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variations. Also attached as Exhibits "F-2" to "F-7" are

copies of representative samples of advertising materials for the promotion of said products in the Philippines.

13.2. Likewise attached as Exhibit "F-9" is a copy of an issue of the Philippine Edition of Mercedes Magazine, a periodical published by DaimlerChrysler AG, reproduced and distributed in the Philippines, which contains articles and advertisements relating to the Opposer and its products bearing the marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variations.

(14) "On account of its aggressive marketing strategy, the return of investment has been substantial as well. The total worldwide sales of Opposer for the product bearing the device mark "THREE POINTED STAR" and "THREE POINTED STAR IN RING" and its variants for the last five (5) years are shown below:¹

2004 – 46.858 Mio Euro
2003 – 46.332 Mio Euro
2002 - 47.110 Mio Euro
2001 - 47.068 Mio Euro
2002 - 44.883 Mio Euro

14.1. The total sales in the Philippines of the products bearing the device marks "THREE POINTED STAR IN RING" and its variants for the last five (5) years are shown below:²

2004 - 6.076.989 Euro
2003 – 7.138.645 Euro
2002 – 9.614.171 Euro
2001 – 12.073.498 Euro
2000 – 9.927.528 Euro

14.2. The total expenses of the Opposer for worldwide advertising and promoting the products bearing the device marks "THREE POINTED STAR" and "THREE POINTED STAR IN RING" and its variants for the last five (5) years are shown below:³

2004 – 720.137.000 USD
2003 – 660.408.000 USD
2002 – 445.320.000 USD
2001 – 354.739.000 USD
2000 – 321.774.000 USD



¹ Affidavit Direct Testimony of Susan Sourell, August 4, 2006, p.2

² Ibid.

³ Ibid.

- (15) "Opposer also maintains the website www.daimlerchrysler.com where information about its history, range of products and distribution of Opposer's "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH," can be easily accessed by consumers all over the world. Attached hereto as Exhibit "G-1" to "G-4" are original printouts from the Opposer's website. The affidavit of witness Atty. Chrissie Ann L. Barredo, stating how these printouts were obtained is hereto attached as Exhibit "G".
- (16) "Opposer's internationally well-known marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" have long become distinctive of the business and/or goods of the Opposer, through Opposer's long and exclusive use thereof in international commerce.
- (17) "Opposer's trademarks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants are well-known marks worldwide such that Courts around the world recognize that the unauthorized use thereof even for unrelated goods is likely to lead to confusion as to source. Attached hereto as Exhibit "H" is a copy of a Decision issued by the High Court of Delhi in the case of Daimler Benz Aktiengesellschaft vs. Hybo Hindustan, where the High Court ruled that even if the trademarks BENZ and THREE POINTED STAR IN RING were used for automobiles, the use of identical marks with respect to undergarments (i.e., Three Pointed Human Being In a Ring), will lead to confusion in the market, although the manufacturers of Mercedes Benz cars were neither manufacturing nor selling garments or underwear apparels. This Decision was confirmed by the Division Bench of the same High Court and also confirmed by the Supreme Court. The Decision has been cited by the Intellectual Property Appellate Board in cases such as Sony Corporation vs. Jasbir Sing Kohli, et.al. and The Enfield India, Ltd. vs. Deepak Engineerin Syndictae, et.al. Copies of the aforesaid cases are attached hereto and made integral parts hereof as Exhibits "H-1" and "H-2". How copies of these decisions and cases were secured is set forth in the affidavit of Atty. Chrissie Ann L. Barredo, attached hereto as Exhibit "G".
- (18) "Opposer's history of its marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants are also told in a 272-page book "Enduring Passion (The Story of the Mercedes Benz Brand)" written by Leslie Butterfield and published for worldwide distribution in 2005 by John Wiley and Sons, Ltd., Sussex, England. Copy of the book is attached hereto and made an integral part hereof as Exhibit "I".

18.1 The book "Mercedes" also tells Opposer's history and its marks. It is a 599-page book written by Rainer W. Schlegelmilch, Hartmut Lehbrink, and Jochen von Osterroth which provides a comprehensive chronicle of the long history of Mercedes Benz and of the company's contribution to motorsport. It contains a description of the history of Opposer's "THREE POINTED STAR", and a full-page colored pictures of the Opposer's products bearing its marks "THREE POINTED STAR", "THREE POINTED STAR IN RING", "THREE POINTED STAR IN LAUREL WREATH" and their variants. A copy of the book's cover and a page containing its publication information is attached hereto as Exhibits "J" to "J-1".

(19) "Respondent-Applicant's appropriation of Opposer's "THREE-POINTED STAR", "THREE POINTED STAR IN RING" and "THREE POINTED STAR IN LAUREL WREATH" mark and its variants will likely deceive the consumers as to the source of the goods and will likely attribute said goods to the Opposer.

(20) "The registration of the trademark "SANY & DEVICE" in the name of Respondent-Applicant will contravene and violate the following provisions of the IP Code, to wit: Sections 123.1 (d) (i) and (iii), (e), (f) and (g), which provide:

"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 constitute a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with

respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark are likely to be damaged by such use;

(g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services; xxx.”

(21) “Noteworthy is the fact that Respondent-Applicant’s trademark application covers goods in Class 12 which are the same goods covered by the Opposer’s well-known marks under the same International Class and are closely related with other goods of the Opposer. If registered, the mark “SANY & DEVICE” will most likely mislead the public into thinking that the Respondent-Applicant’s goods covered under Class 12 are being manufactured by Opposer and have an affiliation with the goods covered by the Opposer’s registered trademarks. The law is clear in prohibiting the registration of trademarks which are identical with a registered mark in respect of the same goods or services or closely related goods or services.

(22) “As internationally well-known marks, “THREE POINTED STAR,” “THREE POINTED STAR IN RING,” “THREE POINTED STAR IN LAUREL WREATH” and their variants are protected under Article 6bis of the Paris Convention, which provides:

Article 6bis
Marks:Well-Known Marks

“(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.”

(23) “The confusing similarity between Respondent-Applicant’s “SANY & DEVICE” mark and Opposer’s internationally well-known trademarks “THREE POINTED STAR,” “THREE POINTED STAR IN RING,” “THREE POINTED STAR IN LAUREL WREATH” is very likely to deceive the purchasers of goods on which the mark is being used as to the origin or source of said goods and as to the nature, character, quality and characteristics of the goods, to which it is affixed.

(24) "Opposer will be damaged by the granting of registration of the mark "SANY & DEVICE" in the name of Respondent-Applicant, considering the fact that Opposer's marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants have long been established and has obtained goodwill and consumer recognition in the Philippines and worldwide.

(25) "Respondent-Applicant's application to register the "SANY & DEVICE" mark is an infringement of Opposer's well-known marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants, as the use of the mark on the goods described in its application clearly violates the exclusive right of the Opposer to said marks.

(26) "The registration of the mark "SANY & DEVICE" mark in the name of the Respondent-Applicant will violate the exclusive proprietary rights of the Opposer over its own marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants, and irreparably injure or damage the interest, business reputation and goodwill of said marks. The registration of Respondent-Applicant's mark will surely dilute the distinctiveness of Opposer's marks, thereby reducing their economic value.

(27) "There is no doubt that the intentions of the Respondent-Applicant are: to ride on the goodwill of Opposer's well-known marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH", palm off its products as originating or affiliated with the Opposer, to deceive and cause confusion in the mind of the buying public. This is evident from the following acts of the Respondent-Applicant:

27.1 The act of making the device appear similar to Opposer's but with minor differences intended to convince the IPOPhil and the courts, that there is no confusing similarity with the Opposer's well known three pointed star trademarks;

27.2 The use by the Respondent-Applicant of the Device element of its mark without the word mark "SANY" as shown in the attached page from its website, and as depicted on its products, or a representation where the word mark "SANY" is considerably smaller than the device element, definitely indicates that said device element of its mark is its dominant element, which is confusingly similar to Opposer's well-known "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" trademarks. The affidavit of Atty. Christine Canlapan

attesting to the foregoing is attached herewith as Exhibit "L" to "L-3".

27.3 The incorrect description of the mark by the Respondent-Applicant, quoted below:

"The mark consists of a thin circle inside of which are three half triangles intertwined and rotated to form a triangular axis; the midpoint appears to be a white circle with three protruding lines."

is indicative of the desire of the Respondent-Applicant to mislead and misrepresent its mark, to wit:

- (i) there is no triangular axis;
- (j) there is no "white circle with three protruding lines" in the mark since said lines are simply spaces created by the three configurations which are claimed as half triangles. The printouts of the web pages identified by Atty. Canlapan clearly show this;
- (k) the device does not consist of three half triangles, since there are no such configurations shown. What is shown is a device similar to the three pointed star trademark of the Opposer's.

(28) "It is quite apparent that the registration of the mark "SANY & DEVICE" in the name of Respondent-Applicant, which mark is confusingly similar to Opposer's well-known marks "THREE POINTED STAR," "THREE POINTED STAR IN RING," "THREE POINTED STAR IN LAUREL WREATH" and their variants will not only prejudice the Opposer but will also allow the Respondent-Applicant to unfairly benefit from and get a free ride on the goodwill of Opposer's well-known marks.

Considering that no Answer has been filed by Respondent-Applicant and that this case is mandatorily covered by the summary rules, Opposer was directed to file its evidence in the required form and duly marked in accordance with Section 7 and Subsection 7.1 of Office Order No. 79.

The issues to be resolved in this case are:

- (a) Whether or not Respondent-Applicant's mark "SANY & DEVICE" is confusingly similar to Opposer's marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED IN LAUREL WREATH" and their variants; and
- (b) Whether or not Respondent-Applicant's trademark application for "SANY & DEVICE" should be granted registration.

As to the FIRST issue, the Bureau finds confusing similarity between Respondent-Applicant's "SANY & DEVICE" mark and Opposer's marks "THREE-POINTED STAR" and "THREE-POINTED STAR IN RING" , "THREE-POINTED IN LAUREL WREATH" and their variants.

In **Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, April 4, 2001**, the Supreme Court held that:

"In ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set of rules can be deduced. Each case must be decided on its own merits. In *Esso Standard, Inc. v. Court of Appeals*, the Supreme Court ruled that the likelihood of confusion is a relative concept; to be determined only according to the particular and sometimes peculiar circumstances of each case."

Likewise, in a long line of cases, the Supreme Court has consistently held that infringement of a trademark is to be determined by the **TEST OF DOMINANCY**. Similarity in size, forms, and colors, while relevant, is not conclusive. If the competing trademarks contain the main essential or dominant features of another, and confusion or deception is likely to result, infringement takes place. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate. (**Co Tiong Sa vs. Director of Patents, G.R. No. L-5372, May 24, 1954.**)

Below is a side-by-side comparison between one of Opposer's registered marks, "THREE-SIDED STAR IN RING", and Respondent Applicant's "SANY & DEVICE":

Opposer's "THREE-SIDED STAR IN RING"	Respondent-Applicant's "SANY & DEVICE"
	

Upon visual comparison, there is no doubt that the dominant feature in the marks of both the Opposer ("THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH")

and their variants) and the Respondent-Applicant ("SANY & DEVICE") is the **THREE-SIDED STAR AND BOTH ARE ENCLOSED IN A CIRCLE**. The only difference between the competing marks is that Respondent-Applicant's mark bears a word mark SANY below the three-sided star device enclosed in a ring. However, the addition of the word mark SANY below the device that appears substantially similar to Opposer's registered trademarks ("THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH" and their variants) is only minor or insignificant in its overall appearance and will not avoid the inescapable conclusion that consumers may be mistaken or deceived when both marks are used simultaneously on identical or similar goods as it was in this case, especially since what appears to be three half triangles intertwined and rotated to form a triangular axis as described by Respondent when required to give a full description of their mark, apparently showed a mark that is substantially similar to Opposer's registered trademark "THREE SIDED STAR IN RING". Respondent's effort to create a variance to Opposer's registered trademarks by intertwining three half triangles to form a triangular axis and adding the word SANY below the device proved unsuccessful, because the general appearance of Respondent's SANY & DEVICE is obviously substantially similar to Opposer's THREE SIDED STAR IN RING. It was held in **McDonald's Corporation and McGeorge Food Industries, Inc., vs. L.C. Big Mak Burger, Inc., et al, GR No. 143993, August 18, 2004** (citing V. Amador, Trademarks Under the Intellectual Property Code 260, 1999) that under the dominance 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.

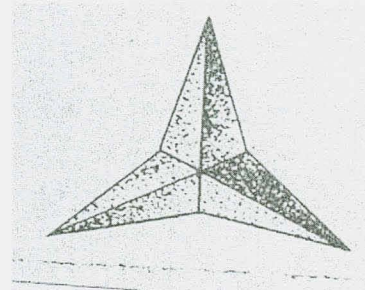
What is worthy to note is that in the THREE-SIDED/POINTED STAR logo or device used by Opposer, the breadth or dimension of the pointed sides of the star is either in thin as shown above or thick sides (B). The THREE-SIDED STAR mark in (B), as shown below, is all the more confusingly similar to Respondent-Applicant's three half triangles intertwined and rotated to form a triangular axis design enclosed in a circle with the word SANY below the device .

(A)



Applicant's

(B)



Opposer's

[Handwritten signature]

In connection with the use of a confusingly similar or identical mark, Section 123.1(d) of the Intellectual Property Code provides:

"123.1. A mark cannot be registered if it:
xxx

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing priority date, in respect of:

- (i) The same goods or services, or**
- (j) Closely related goods or services, or**
- (k) If it nearly resembles such a mark as to be likely to deceive or cause confusion"**

Based on the foregoing provision, the vital point for consideration is the close relation of the products of the Opposer and Respondent-Applicant. In the case of **Esso Standard Easter, Inc. v. The Honorable Court of Appeals and United Cigarette Corporation, G.R. No. L-29971, August 31, 1982**, the Supreme Court had occasion to define 'related goods':

"Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality."

The goods covered by Respondent-Applicant's application fall under Class 12. Likewise, some of the goods/services covered by the Opposer's registered trademarks also fall under Class 12. Aside from being under the same classification, the products of both parties, if not merely motor vehicles, also include commodities relating to motor vehicles and vehicle parts and accessories. As such, it is safe to assume that Opposer's and Respondent-Applicant's marks flow through the same channel of trade. Hence, they are considered as related goods.

As to the SECOND issue, the Bureau rules in the negative. Respondent-Applicant cannot be granted registration.

Firstly, from the evidence on record, Opposer is the registered owner in the Philippines of the following marks:

Trademark	Certificate of Registration No	Date Issued	Class(es)
Three-Pointed Star In Ring	R-2432	August 6, 1959	12
Three-Pointed Star in	R-2421	October 1, 1959	12

Laurel Wreath with words Mercedes-Benz			
Three-Pointed Star in Ring	R-2422	October 15, 1959	7
Three-Pointed Star	R-2423	October 15, 1959	12
Three-Pointed Star In Ring	R-2431	January 7, 1960	12
Three-Pointed Star in Laurel Wreath with the words Mercedes-Benz	R-2429	January 7, 1960	12
Three-Pointed Star In Ring	R-2424	October 9, 1979	7
Three-Pointed Star	R-2427	October 16, 1981	12
Three-Pointed Star in Ring	4-1981-036795	February 24, 1987	37
Three-Pointed Star in Ring (Plastic)	4-2004-007907	November 10, 2005	09, 14, 16, 18, 24, 25, 28, 34

Opposer's marks, "THREE-POINTED STAR IN RING", "THREE-POINTED STAR IN LAUREL WREATH WITH WORDS MERCEDES-BENZ", "THREE-POINTED STAR IN RING", AND "THREE-POINTED STAR", were registered with the Intellectual Property Office as early as 1959, specifically for goods under Classes 12 (Certificates of Registration Nos. R-2432, No., R-2423 and No. R-2421) and 7 (Certificate of Registration No. R-2422).

Opposer's trademarks have been registered in its country of origin, Germany, by Opposer's predecessor Daimler Motoren-Gesellschaft (DMG), way back in 1909. Opposer has also registered or applied for the registration of its marks for various goods, including those in Class 12 in more than one thousand three hundred forty six (1,346) countries worldwide.

Secondly, Opposer's products, bearing its marks, are promoted, advertised and sold through Opposer's websites, <http://www.daimlerchrysler.com> and <http://www.mercedes-benz.com>, among other channels of trade. Aside from its promotional works, Opposer has made its products' presence known in the Philippines through the establishment of showrooms and service centers, the local distribution of its publication, and the sponsorship of much-publicized events every year.

The right to register trademarks, trade names and service marks is based on ownership. Only the owner of the mark may apply for its registration (**Bert R. Bagano v. Director of Patents, et. al., G.R. No. L-20170, August 10, 1965**). And where a trademark application is opposed, the Respondent-Applicant has the burden of proving ownership (**Marvex Commercial Co., Inc. v. Peter Hawpia and Co., 18 SCRA 1178**).

In the case at bar, Respondent-Applicant failed to present any evidence to prove entitlement over the mark "SANY & DEVICE", despite having been given the opportunity to do so.

On the other hand, Opposer has established prior use of its marks "THREE-POINTED STAR", "THREE-POINTED STAR IN RING", "THREE-

POINTED STAR IN LAUREL WREATH” and their variants in commerce and its continuous adoption and use thereof consisting of sale and promotional works. Moreover, as earlier mentioned, Opposer has presented evidence that its marks were registered with the Intellectual Property Office as early as August 6, 1959. Being the prior user and registrant of the aforementioned marks in the Philippines, Opposer is the actual owner thereof.

The Court has ruled that when one applies for the registration of a trademark or label which is almost the same or very closely resembles one already registered by another, the application should be rejected and dismissed outright, even without opposition on the part of the owner and use of a previously registered label or trademark, this is not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill. **(Chuan Chow Soy & Canning Co., v. Director of Patents and Villapanta, 108 Phil. 833, 836)**

Respondent-Applicant's use of the confusingly similar mark for goods under Class 12, is likely to cause confusion, mistake or deception as to the source or origin of the goods, and to mislead the public that its goods are affiliated with or sponsored by the Opposer.

As the rightful owner and prior user of the marks “THREE-POINTED STAR”, “THREE-POINTED STAR IN RING”, “THREE-POINTED STAR IN LAUREL WREATH” and their variants, Opposer should be given protection against entities that merely wish to take advantage of the goodwill its marks have generated.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby **SUSTAINED**. Consequently, Application bearing Serial No. 4-2006-009764 filed by SANY GROUP CO., LTD. on September 04, 2006 for the registration of the mark "SANY & DEVICE" used on goods under Class 12 is, as it is hereby, **REJECTED**.

Let the filewrapper of "SANY & DEVICE", subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

18 July 2008, Makati City.


ESTRELITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs