



NIKKO KABUSHIKI KAISHA
represented by the General
Manager of Rufino Construction
Supply, Mr. Philip Ngo Coling, and
TOMBO IMPORT EXPORT AND
MANUFACTURING CO., rep. by
Mr. Philip Ngo Coling

Petitioners,

- versus -

AMELIA P. ONG – a.k.a AMELIA O.
MANALASTAS, doing business
under the trade name and style
Manalastas Hardware

Respondent-Registrant.

X-----X

IPC No. 14-2007-00347

Case Filed : 04 December 2007

Petition for Cancellation:

Reg. No. 4-2005-002924

Date Issued: 06 January 2006

Trademark : **"TOMBO"**

Decision No. 2008 - 125

DECISION

This pertains to a Verified Petition for Cancellation filed on 04 December 2007 by herein petitioners, Nikko Kabushiki Kaisha, represented by the General Manager of Rufino Construction Supply, Philip Ngo Coling, and Tombo Import Export and Manufacturing Co., likewise represented by Philip Ngo Coling, against the registration of the trademark **"Tombo"** bearing Registration No. 4-2005-002924 issued on 06 January 2006 for class 06 namely door hanger and bracket set with aprons (accessories made of metal materials for, but not limited to, sliding and/or foldable gates, panels and doors); and class 08 namely, shovel, to herein respondent-registrant Amelia P. Ong – a.k.a. Amelia O. Manalastas.

Petitioner Nikko Kabushiki Kaisha is a corporation duly organized under the laws of Japan, with principal place of business at 1013-1, Eigashima, Okubocho, Akashi-shi, Hyogo-prefecture, Japan and represented by Philip Ngo Coling, General Manager of Rufino Construction Supply, with business address at 667-A A. Bonifacio Avenue, Quezon City, Philippines. Its co-petitioner, Tombo Import Export and Manufacturing Co., likewise represented by Philip Ngo Coling, has

business address at 28 F. Torres Street, Balintawak, Quezon City.

Respondent-Registrant on the other hand is Amelia P. Ong – a.k.a Amelia O. Manalastas, doing business under the tradename and style Manalastas hardware with address at 5068 Independence Street cor. Gen. T. de Leon, Karuhatan, Valenzuela City.

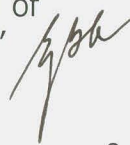
The allegations of the petition are quoted hereunder, to wit:

"1. Petitioners NIKKO KABUSHIKI KAISHA is a corporation duly organized under the laws of Japan , with principal place of business at 1013-1, Eigashima, Okubo-cho, Akashi-shi, Hyogo-prefecture, Japan and represented through the General Manager of RUFINO CONSTRUCTION SUPPLY, Mr. Philip Ngo Coling with business address at 667-A A Bonifacio Avenue, Quezon City, Philippines. Copies of the Powers of Attorney are hereto attach as Annex "A" series TOMBO IMPORT EXPORT AND MANUFACTURING CO., with address at 28 F. Torres Street, Balintawak, Quezon City and represented by Mr. Philip Ngo Coling. While Respondent is Filipino, married, and doing business under the tradename and style MANALASTAS HARDWARE is of legal age with address at 5068 Independence Street cor. Gen. T. de Leon, Karuhatan, Valenzuela City, where summons and other processes may be served.

2. Nippon Tool Mfg. Co. Ltd. now known as Nikko Kabushiki Kaisha was issued a Trademark "Tombo" and the Tombo and Device on August 17, 1959 by our Philippine Patent Office on the principal register;"

"3. Thereafter, The Philippine Patent Office issued a Renewal Registration No. (RRN for brevity) 3015 on January 27, 1983, with a retroactive effect on November 25, 1980. Unquestionably, the Certificate of Registration (Principal) on the trademark TOMBO; Tombo and Device (RRN 2905) by Nikko Kabushiki Kaisha for goods: Shovel and scoop was renewed."

"4. Prior to the expiration of the 20-year period, the registrant Nikko Kabushiki Kaisha filed its Petition for Renewal of Registration of the Marks: Tombo and the Tombo and Device on August 31, 2000; Thereafter, Certificate of Renewal of Registration No. R-3015 under Class 8 was issued by the Intellectual Property Office in favor of Nikko Kabushiki Kaisha; Copy of the Certificate of Renewal of Registration for the mark "TOMBO" is hereto attach as Annex "B""



"5. Thereafter, Plaintiff Nikko Kabushiki Kaisha through its Agent filed an Affidavit of Use for the mark TOMBO was filed on November 30, 2005 before the Intellectual Property Office, stating that the mark is still in use in the Philippines; Copy of the Affidavit of Use is hereto attach as Annex "C";"

"6. By fraud and evident bad faith the defendant in her letter dated September 21, 2005 to the Director of Trademark wrote:

"This is in response to your Registrability Report marked Paper no. 2 dated September 9, 2005.

x x x.

Please be informed that the English equivalent of the word TOMBO is dragonfly.

x x x

For the information of the esteemed examiner, the mark TOMBO had been assigned to us Mr. John Yu, who has a pending application with your office when the registration of Nikko Kabushiki Kaisha had lapsed. Krizia Supply on the other hand had been buying from us shovels marked TOMBO. Please see attach receipts in the name of my business Manalastas Hardware. Krizia Supply is bad faith in applying for the mark NEWTOMBO becomes clear.

Your office's abandonment of the mark does not mean that we have also abandoned the mark. We have been continuously using the mark TOMBO even after it was abandoned as evidenced by receipts (please see attached) identifying the mark. For abandonment to exist, it must be clear and apparent such as discontinued use for considerable period of time.

With regard to TOMBO registration No. 003015 and TOMBO Device Reg. No. 002905, these marks had lapsed for failure of registrant Nikko Kabushiki Kaisha to renew them and therefore, they could not bar our application. The considerable time (more than five years) that lapsed from the time the registration was supposed to be renewed is an indication of abandonment on the part of Nikko.

With these, we request the esteemed Examiner to allow this application."



"7. The defendant in her declaration of actual use of Tombo shovels is fraudulent for she submitted at the Intellectual Property Office delivery receipts for shovels sold but in those documents what was written was not Tombo shovels but only T-shovel; Copy of the delivery receipts she submitted at the IPO is hereto attach as Annex "D""

"8. With that letter the defendant was able to get an approval for the registration of her mark TOMBO as shown by Registration No. 4-2005-002924 on January 6, 2006 for door hangers and bracket set with aprons, (accessories made of metal materials for, but not limited to, sliding and/or gates, panels, doors and shovels) in classes 6 and 8 in the name of Amelia P. Ong; Copy of the letter dated September 21, 2005 is hereto attach as Annex "E";"

"9. Defendant's use of the mark TOMBO and the TOMBO and Device is fraudulent because she knowingly cut-off the name of the real owner of the mark. And the cut device was attach to her application. Copy of her application is hereto attach as Annex "F";

"10. The respondent admitted that she has been selling shovels bearing the mark TOMBO causing damage and prejudice upon the licensee and exclusive distributor Tombo Import Export and Mfg. Co., and the lawful registrant of the trademark Nikko Kabushiki Kaisha within the contemplation of Section 151 of Republic act 8293, otherwise known as the New Intellectual Property Code of the Philippines which if not restrained shall continue to cause grave and irreparable damages upon the Plaintiffs."

"11. There is an urgent need to enjoin and prevent the herein defendant from further using, importing, dealing and selling shovels and scoops bearing the mark TOMBO and TOMBO and DEVICE. As this RIGHT belongs to the Plaintiffs herein. Thereafter, the mark TOMBO per Registration No. 4-2005-002924 dated January 6, 2006 be cancelled and declared as null and void;"

"12. One way to prevent damages from occurring to the plaintiffs are to close and padlocked the defendant's store, hardware and warehouse and confiscate all shovels and scoops bearing the mark TOMBO and TOMBO and DEVICE belonging to the defendant's with an intention of selling and disposing it to the public; Likewise to prohibit her from further selling and disposing of the said shovels bearing the mark TOMBO;"



"13. The plaintiff is willing to post a bond at such amount that may be reasonably determined by the Honorable Hearing Officer;"

"14. Lastly, the Plaintiff was forced to litigate and secure the services of counsel for this reason it incurred litigation expenses of around Php200,000.00 which per force of law must be paid by the defendant by way of cost of suit and litigation expenses; copy of the Professional Fees Agreement and the Litigation Expenses incurred by the plaintiffs are hereto attach as Annexes "G" and "H" respectively;"

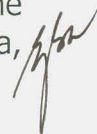
"15. The Plaintiff's witness has executed an Affidavit and is hereto attach as Annex "T" hereof;"

In view of this Bureau's Notice to Answer dated 18 December 2007, served to respondent-registrant , she submitted her verified Answer dated 30 January 2008, which is quoted hereunder, to wit:

"1. That, paragraphs 1 to 5 inclusive of the Petition are admitted."

"2. That, paragraph 6 of the petition is denied. Contrary to Petitioner's claim. Defendant did not engage in any fraud or evident bad faith when it sought to register the mark TOMBO for shovels, door hanger & bracket set with aprons. The fact that the Defendant applied to register the said mark with the Intellectual Property Office is a clear and just intention to let the public know of Defendant's desire. Furthermore, every trademark application is available for the public's scrutiny if they feel that they are to be harmed in any way by the registration of the same. An application, upon approval, is published twice (first during the opposition period and second after registration) in the IPO gazette to let the public know of such undertaking. Furthermore, the Defendant did not engage in the selling and importing of fake TOMBO shovels. Defendant's goods bearing the said mark are all original and legitimate."

"2. Defendant had been engaged in importing and selling shovels bearing the mark TOMBO since March of 2001. Said goods were imported from China, by virtue of an agreement between the defendant and the registered owner of the mark TOMBO in China,



CHENG YIN JIAN with postal address at Guandimiao, Leting Country, Heibie, China.”

“3. After some time, the Defendant thought of registering the mark TOMBO for goods “shovel”. And so, the Defendant went to inquire on how to register the mark TOMBO. At first visit with the Intellectual Property Office, she was advised to search first the Office's database to view similar marks that might have been registered or filed already.”

“4. Search results shows that several marks contains the word TOMBO. Most notably are NIKKO KABUSHIKI KAISHA’S marks bearing Registration Nos. 002905 and 003015 and Mr. John Yu's then pending application, bearing Application No. 4-1999-001086. The Defendant was caught unaware because all the while, the Defendant was quite sure that the registered owner of the mark TOMBO is CHENG YIN JIAN (doing business under the name and style YAN NAN FARMING TOOL FACTORY) with postal address at Guandimiao, Leting Country, Heibei, China.”

“5. The Defendant, by way of her representative Mr. Dela Cruz, went to the Intellectual Property office to inquire about the real status of Registration Nos. 002905 and 003015. After some verification and queries regarding the real status of the said registered marks, Mr. Dela Cruz was told that the Records do not show that a Petition for Renewal of Registration was filed for either marks, and that the marks registered in favor of NIKKO KABUSHIKI KAISHA had already lapsed and therefore should have already been deemed cancelled.”

“6. Defendant then contacted Mr. John Yu. After negotiation with Mr. Yu, an agreement was reached and the trademark application was then “assigned” in favor of the Defendant. Said assignment was done during the period when the registrations of NIKKO KABUSHIKI KAISHA were supposed to have lapsed. The Defendant sought to “get” the application from Mr. John Yu to preserve the filing date, since the Intellectual Property Office follows the first-to-file rule.”

“7. However, due to unfortunate and unintentional events, said Application was deemed abandoned for failure of the applicant to respond to the Examiner-in-Charge's Official action within the reglementary period. Applicant learned of the status of the trademark application, however, it was already too late to revive the



said application. And so, the Defendant had no other alternative but to re-file the same mark."

"8. The Defendant, by way of Norberto S. Dela Cruz, went through the same process of searching through the Trademarks database if a similar mark had been filed during the time the old mark was deemed abandoned. Search result shows the same list as before, prior to the abandonment of the Defendant's earlier mark."

"9. And so, on April 1, 2005, defendant filed a trademark application for the mark TOMBO covering "shovels, door hanger & bracket set with aprons". A decision was made that apart from "shovels", the application should also include "door hanger & bracket set with aprons" so as to broaden the protection and scope of the mark.

a) On September 09, 2005, Defendant received a Registrability Report marked Paper No. 2, issued by Examiner Marvin P. Malaluan. The Defendant was at a loss because all the while, the defendant thought that there is none to bar the registration of the mark. What puzzled her more is the fact that Krizia Builders Supply was able to file much earlier a similar mark covering the same goods "shovels".

b) A few days passed, Defendant, together with Mr. Dela Cruz, then went to see Examiner Malaluan to verify and clarify certain things regarding the Examiner's findings. The Examiner told them just to file an answer, among other things, to the said Report within the reglementary period, thereby stating all their allegations and justifications.

c) On September 21, 2005, the Defendant filed her answer to the Registrability Report. Consequently, the Declaration of Actual Use was filed shortly thereafter. After the Examiner's evaluation of all the documents presented, the Defendant was able to get an approval for the registration of her mark. Said application was published twice in the Intellectual Property Office's Gazette, to let the public know of such undertaking.

d) Some time in 2006, the Defendant received a letter from the representative of NIKKO KABUSHIKI KAISHA, informing her to stop selling and importing shovels that bear the mark TOMBO and to voluntarily drop its registration over the same. Defendant was again surprised, even shocked, to receive such



demand letter when all the while, she thought that everything was rightfully and lawfully settled. And so, the Defendant's representative again went to the Intellectual Property Office to investigate and to find out what really is going on. The Defendant's representative, Mr. Dela Cruz, was able to verify and get a copy of the "events" in reference to the marks registered in favor of NIKKO KABUSHIKI KAISHA that had transpired within the last several months.

e) A careful scrutiny of the progress of the marks registered in favor of NIKKO KABUSHIKI KAISHA, the records show that a substantial period (more than five years) had already passed and no renewal was recorded with the Bureau of Trademarks. In fact, it was only on January 25, 2006 when the status of those marks was changed (Date RENEWED was changed from Null to November 25, 2000. Likewise, on the same day, the date of PENDING RENEWAL was changed from NULL to August 31, 2000). Prior to the approval of the Defendant's mark for publication for purposes of opposition, the records shows only that someone requested for a Certified True Copy of a certain document pertaining to the registered marks (on December 09, 2004). What is more astounding is the fact that the physical files/records of Registration Nos. 002905 and 003015 cannot be located even after several searches by the Intellectual Property Office's employees. The respondent upon learning this sequence of questionable events, can only conclude that "manipulation" of the records transpired to favor petitioner and to the prejudice of the respondent's registration;

f) Anent petitioner's allegation that the respondent in her Declaration of Actual Use (DAU for brevity) of TOMBO shovels is fraudulent for the delivery receipts sold for shovels only shows T-shovels and not TOMBO shovels, it is customarily practiced by most hardware supply owners and their employees not to write down the whole name of the item's being sold. The seller and the buyer are accustomed to this type of purchasing practice. The delivery receipts were submitted to the Intellectual Property Office to show and justify that KRIZIA BUILDER'S SUPPLY does not have legitimate claim over the mark TOMBO for shovels;

h) Also, anent petitioner's allegation that the respondent's use of the mark is fraudulent because she knowingly cut-off the name of the real owner of the mark, again the Petitioners are

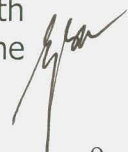


misguided. It is not a requirement for an applicant to submit the whole label or packaging of the product bearing the mark sought to be registered. Just a portion any evidence of use is enough to show real and actual use of the mark in commerce. The reason the respondent cut-off the said portion was because that portion contains the China registration number 1593976. The respondent thought that the said registration number does not hold any significance to the requirements set forth by the Intellectual Property Office in filing evidence of use, and that it may slow down the processing of her trademark application. However, upon receiving the Certificate of Registration from the Intellectual Property Office of the Philippines, said labels were changed so as to indicate both the China and Philippines registration numbers."

"10. By way of reply to petitioner's allegation that irreparable and grave damage and prejudice upon them shall continue if the selling and importing of the Defendant is not restrained, we offer the following arguments:

a) In any business, healthy, honest and legitimate competition is always necessary to give the purchasing public the opportunity and right to choose whose products they would like to buy. Defendant's act of selling and importing the said products is within the lawful boundaries by virtue of the agreement signed by the Defendant and the Chinese registered owner of the mark TOMBO. In the said agreement, the Defendant is the licensee and exclusive distributor here in the Philippines of its products containing the mark TOMBO. The Defendant had invested substantial amount of time and money to sell and import the said products, aside from the time and money spent to reach an agreement with the registered owner to be the exclusive distributor and seller of its products here in the Philippines. In fact, the Defendant and CHENG YIN JIAN (doing business under the name and style YAN NAN FARMING TOOL FACTORY) entered into a contract agreement to make it official and well documented.

b) Furthermore, it is not prohibited that an entrepreneur or proprietor seeks out the best possible opportunity in the market. Best example of which is the selling and importing of Nokia cellular and mobile phones. It is not a secret with the industry that Nokia phones are imported in the



Philippines by several proprietors from several countries, including Finland and China. These proprietors were allowed to import and sell Nokia phones throughout the country, even though they are not the registered owner of the Nokia brand nor are they a licensee of the Nokia enterprise. The same thing goes in the selling and importing of clothing articles and even household appliances.

c) Besides, to prevent and prohibit the respondent from selling and importing the said products, by closing and to eventually padlock the respondent's store, hardware and warehouse and confiscate all shovels and scoops bearing the mark TOMBO would incur irreparable damage and loss of income on her part and her employees. Her actions of selling and importing the said goods were made through a valid, legal and existing agreement between the respondent and the Chinese registered owner of the said mark. Besides, Respondent is selling not only shovels with the mark TOMBO, but a wide array of goods and products bearing different marks. Closing the respondent's store would not only violate her right to sell those other items and products, but would also violate her Intellectual Property Rights as well. Please be informed that the respondent had filed several marks with the Intellectual Property Office (i.e. CENTENNIAL EAGLE, KANNON, GOLD CRANE, and BRONCO) and a couple of them had already matured into registrations, specifically the marks CENTENNIAL EAGLE bearing Registration No. 4-2002-006762 and BRONCO bearing Registration No. 4-2005-011477. To close the Defendant's store and warehouse would mean that all of its purchased, owned and manufacture merchandise won't be sold and delivered to the market and clients who were expecting these goods and items."

After a careful review of the Verified Notice of Opposition, the Verified Answer as well as the other pleadings filed in the records of this case this Bureau finds that the most compelling issues that need to be resolved in this case are:

- 1. Whether or not Petitioner Nikko Kabushiki Kaisha has the capacity to sue in the Philippines, and**
- 2. Whether or not Registration No. 4-2005-002924 for the mark TOMBO issued to Amelia P. Ong a.k.a Amelia Manalastas on 06**

January 2006 should be cancelled

However, before resolving these crucial issues, this Bureau finds it imperative to deal with procedural matters raised by Respondent-Registrant in her Position Paper.

Respondent-Registrant alleged that both Nikko Kabushiki Kaisha and Tombo Import Export and Manufacturing Co. claimed "to be represented by a certain Philip Ngo Coling who does not appear to have a valid authority because Nikko Kabushiki Kaisha granted Rufino Construction Supply the authority to institute the appropriate action for the cancellation of the trademark in its behalf only on or about March 19, 2007, and there is no authority subsequently issued by Rufino Construction Supply to Philip N. Coling in accordance with the March 19, 2007." A review of the special power of attorney granted to Rufino Construction Supply reveal that it is granting the authority to Rufino Construction Supply represented by its General Manager, Philip Ngo Coling. It says-

'NIKKO KABUSHIKI KAISHA, a corporation duly organized under the laws of Japan, with principal place of business at 10123-1, Eigashima, Okubo-cho, Akashi-shi, Hyogo-prefecture, Japan, do hereby appoint RUFINO CONSTRUCTION SUPPLY, represented herein by its General Manager, PHILIP NGO COLING with business address at Bonifacio Avenue, Quezon City, Philippines, to be our true and lawful Attorney-in-fact, in our name, place and stead, to do and execute the following acts, deeds and things to wit:

x x x "

After going over the above quoted special power of attorney executed by Petitioner, Nikko Kabushiki Kaisha to Rufino Construction Supply represented by its General Manager, Philip N. Coling, this Bureau believes that the real intent of the Special Power of Attorney is to appoint not just the company, Rufino Construction Supply but the company, represented by its General Manager Philip Ngo Coling. If the intention of Nikko is just to appoint Rufino Construction Supply without the name of Philip Ngo Coling, there will be a need for Philip Ngo Coling to get a special power of attorney from Rufino Construction Supply. However, since the name of Philip Ngo Coling was specifically mentioned to represent Nikko Kabushiki Kaisha as General Manager of Rufino Construction Supply, this Bureau believes that the Special Power of Attorney executed by the principal, Nikko Kabushiki Kaisha for Phillip Ngo Coling to institute and to represent them in the instant cancellation proceedings, already suffice **and therefore, he can validly execute a valid verification**

and Certificate of Non- Forum Shopping for and in its behalf. Assuming without admitting that there is a need for him to secure a Special Power of Attorney from Rufino Construction Supply, it will be immaterial and irrelevant in this particular case considering that Rufino Construction Supply is not a party in this case. Besides, Philip Ngo Coling is claiming to represent the Petitioner, Nikko Kabushiki Kaisha, not Rufino Construction Supply, hence, what is important in this case is, did the Petitioner duly authorize Philip Ngo Coling to institute and represent them in the instant cancellation proceedings? From the tenor of the Special Power of Attorney, this Bureau believes he is.

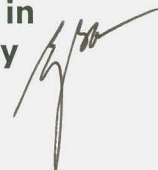
Moreover the fact that Nikko Kabushiki Kaisha is represented through the Manager of Rufino Construction Supply, Philip Ngo Coling was admitted by Respondent Registrant in paragraph 1 of her Answer and therefore, she is now estopped from questioning the same.

Now as to the issue likewise raised by Respondent that it is not shown that Nikko Kabushiki Kaisha has been licensed to do business in the Philippines as a requisite for maintaining any action, suit or proceeding in any court or administrative agency in the Philippines under Sec. 133 of the Corporation Code of the Philippines, this Bureau finds Petitioner, Nikko Kabushiki Kaisha to have the capacity to sue.

Sections 3 and 160 of the Intellectual Property Code (R.A. 8293) expressly provide for the right of foreign corporation whether or not licensed to do business to sue in trademark enforcement action. It says:

"Sec. 3. International Conventions and Reciprocity. – A person who is a national 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."

"Sec. 160. Right of Foreign Corporation to Sue in Trademark or Service Mark Enforcement Action. –Any



foreign national or juridical person who meets the requirements of Section 3 of this Act and does not engage in business in the Philippines may bring a civil or administrative action hereunder for opposition, cancellation, infringement, unfair competition, or false designation of origin and false description, whether or not it is licensed to do business in the Philippines under existing laws.”
(Underscoring provided)

Japan and the Republic of the Philippines are both members of the World Intellectual Property Organization, Paris and Berne Conventions and as such, both countries extend reciprocal rights with respect to adjudication of intellectual property rights issues. Thus, applying the aforementioned sections to Petitioner Nikko Kabushiki Kaisha, this Bureau finds that it is entitled to file the instant petition for cancellation even if it is not licensed to do business in the Philippines in accordance with Sec. 160 of R.A. 8293.

This Bureau noted that the documents submitted by Petitioner as attachments to its Verified Notice of Opposition are xerox copies and not in compliance with the provision of Office Order No. 79 series of 2005 or the Amendments to the Regulations on Inter Partes Proceedings. A careful review of the records particularly, the Answer submitted by Respondent Registrant to the Petition for Cancellation **reveal that paragraphs 1 to 5 of the verified Petition for Cancellation have been unconditionally admitted by the Respondent-Registrant.**

Sec. 26, Rule 130 of the Revised Rules of Court provides;

“Admission of a party - The act, declaration, or omission of a party as to a relevant fact may be given evidence against him.”

A man’s act, conduct, and declaration, whenever made, if voluntary, are admissible against him, for the reason that it is fair to presume that they correspond with the truth, and it is his fault if they do not. (U.S. vs. Ching Po 23 Phil. 578, 583)

In view of the admission of Respondent - Registrant of the allegations contained in paragraphs 1 to 5 of the verified Petition for Cancellation, the same may be admitted as evidence against her. However, with respect to the rest of the allegations in the Petition for Cancellation, the same cannot be considered for being mere

allegations.

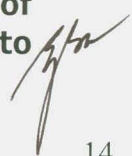
The following allegations of Petitioner in the Verified Petition for Cancellation were admitted by Respondent-Registrant in paragraph 1 of her Answer:

"1. Petitioners NIKKO KABUSHIKI KAISHA is a corporation duly organized under the laws of Japan , with principal place of business at 1013-1, Eigashima, Okubo-cho, Akashi-shi, Hyogo-prefecture, Japan and represented through the General Manager of RUFINO CONSTRUCTION SUPPLY, Mr. Philip Ngo Coling with business address at 667-A A Bonifacio Avenue, Quezon City, Philippines. Copies of the Powers of Attorney are hereto attach as Annex "A" series TOMBO IMPORT EXPORT AND MANUFACTURING CO., with address at 28 F. Torres Street, Balintawak, Quezon City and represented by Mr. Philip Ngo Coling. While Respondent is Filipino, married, and doing business under the tradename and style MANALASTAS HARDWARE is of legal age with address at 5068 Independence Street cor. Gen. T. de Leon, Karuhatan, Valenzuela City, where summons and other processes may be served.

2. Nippon Tool Mfg. Co. Ltd. now known as Nikko Kabushiki Kaisha was issued a Trademark "Tombo" and the Tombo and Device on August 17, 1959 by our Philippine Patent Office on the principal register;"

"3. Thereafter, The Philippine Patent Office issued a Renewal Registration No. (RRN for brevity) 3015 on January 27, 1983, with a retroactive effect on November 25, 1980. Unquestionably, the Certificate of Registration (Principal) on the trademark TOMBO; Tombo and Device (RRN 2905) by Nikko Kabushiki Kaisha for goods: Shovel and scoop was renewed."

"4. Prior to the expiration of the 20-year period, the registrant Nikko Kabushiki Kaisha filed its Petition for renewal of Registration of the Marks: Tombo and the Tombo and Device on August 31, 2000; Thereafter, Certificate of Renewal of Registration No. R-3015 under Class 8 was issued by the Intellectual Property Office in favor of Nikko Kabushiki Kaisha; Copy of the Certificate of Renewal of Registration for the mark "TOMBO" is hereto



attach as Annex "B"

"5. Thereafter, Plaintiff Nikko Kabushiki Kaisha through its Agent filed an Affidavit of Use for the mark TOMBO was filed on November 30, 2005 before the Intellectual Property Office, stating that the mark is still in use in the Philippines; Copy of the Affidavit of Use is hereto attach as Annex "C";"

Annex "B" which was attached to the Verified Petition is a copy of the **Certificate of Renewal of Registration of Tombo R-3015 for shovels** issued on November 12, 2002 in favor of Petitioner Nikko Kabushiki Kaisha **for a term of ten (10) years from November 25, 2000.**

Annex "C" which was also admitted by Respondent in her Answer is a copy of an Affidavit of Use filed by Petitioner showing its use of the mark TOMBO in the Philippines, filed on November 30, 2005.

Also, as culled from the evidence submitted by the Respondent-Registrant, the following facts are established:

On April 1, 2005, the Respondent filed the application for with the IPO for use of the mark "TOMBO" for shovels and door hanger and bracket set with aprons. (Exhibit "1-A)

On September 1, 2005, the Respondent filed a Declaration of Actual Use with the IPO stating that the TOMBO mark was first used on "shovels" in March 2001. (Exhibit 1-B")

On September 9, 2005, the IPO issued a Registrability Report indicating that the subject mark nearly resembles the marks NEW TOMBO subject of application of Krizia Builders Supply for shovel and TOMBO bearing Registration No. 003015 in the name of Nikko Kabushiki Kaisha for shovel and scoop and TOMBO DEVICE bearing Registration No. 002905 in the name of Nikko Kabushiki Kaisha for shovel and scoop. (Exhibit "1-D")

On September 21, 2005, the Respondent filed a letter of even date, which stated among other things, that "With regard to TOMBO registration No. 003015 and TOMBO Device Reg. No. 002905, these marks had lapsed for failure of registrant Nikko Kabushiki Kaisha to renew them and therefore, they could not bar our application. The considerable time (more than five years) that lapsed from the time the registration was supposed to be renewed is an indication of abandonment on the part of Nikko" (Exhibit "1-E")

On September 23, 2005, the Respondent filed a Declaration of Actual Use



with the IPO stating that the TOMBO mark was first used for door hangers and bracket set with aprons " in May 2003. (Exhibit "1-C)

After IPO examiner Marvin P. Malaluan had evaluated all the documents presented, the IPO issued a Notice of Allowance and Payment of Publication Fee on October 18, 2005 (Exhibit "1-F), stating that TOMBO has been approved for publication in the Official Gazette for purposes of opposition.

On January 10, 2006, the Director of the Bureau of Legal Affairs, IPO, Estrellita Beltran-Abelardo, issued a Certification that "no pending Intellectual Property Right (IPR) case has been filed before the Intellectual Property Office against TOMBO with Application Serial No. 4-2005-0029245."(Exhibit "1-G")

On January 12, 2006, the IPO issued a Notice of Issuance and Publication Fee. (Exhibit "1-H")


On February 23, 2006, the IPO issued a Notice of Issuance of Certificate of Registration. (Exhibit 1-I) and subsequently issued Certificate of Registration No. 4-2005-002924(Exhibit 1-J) for the mark TOMBO for door hanger and bracket set with aprons and shovel in the name of Amelia P. Ong.

As admitted by Respondent-Registrant in her Answer and as verified from the records of the Intellectual Property Office, an earlier Certificate of Renewal Registration No. 3015 for the mark TOMBO for shovel and scoop was issued in favor of herein Petitioner, Nikko Kabushiki Kaisha on November 12, 2002, valid for a term of ten (10) years from November 25, 2000 or until November 25, 2010.

A verification of the Trademark Database of the Bureau of Trademarks showed that Certificate of Renewal Registration R-3015 for the mark TOMBO was "renewed 11/25/2000" in favor of Nikko Kabushiki Kaisha, the Petitioner herein.

The records likewise reveal that both Petitioner and Respondent-Registrant uses the same or identical mark TOMBO for almost the same goods, i.e. shovel, hence, the later application for registration of the same mark TOMBO used on almost the same goods, shovel, should not have been allowed registration.

"When one applies for the registration of a trademark or label which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user 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 vs. Director of Patents and Villapanta, 108 Phil. 833, 836) (Underscoring provided)

Likewise, in connection with the use of confusingly similar marks, it has been ruled that-

"Those who desire to distinguish their goods from the goods of another have a broad field from which to select a trademark for their wares and there is no such poverty in the English language or paucity of signs, symbols, numerals, etc. as to justify one who really wishes to distinguish his products from those of all others entering the twilight zone of a field already appropriated by another. (Weco Products Co. v. Milton Ray Co., 143 F., 2d, 985, 32 C.C.P.A. Patents 1214)". (Underscoring provided)

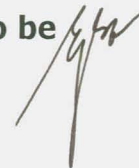
Considering that Registration No. 4-2005-002924 for the mark TOMBO used on goods, among others, shovel, was allowed and issued registration despite the existence of an earlier Certificate of Renewal Registration No. R-3015 issued in favor of herein Petitioner, on November 12, 2002 and valid for a term of ten (10) years from November 25, 2,000, as admitted by Respondent in her Answer and as shown by the Trademark Database of the Bureau of Trademarks, therefore, registration of subject trademark is contrary to the provisions of Sec. 123.1(d) which provides that-

"SEC. 123. Registrability. 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 date 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;"**
(Underscoring provided)



Considering that the subsequent allowance and registration of Respondent-Registrant's later application for the same mark TOMBO used on the same goods, i.e. shovel is contrary to the provisions of Sec. 123.1 (d) of R.A. 8293, the cancellation of the later registration in favor of Amelia P. Ong , a.k.a. Amelia P. Manalastas, is in accordance with the provision of the same law which provides that-

"Sec. 151. – Cancellation. – 151.1 A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

"a) x x x

"(b) At any time , if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or has been abandoned or its registration was obtained fraudulently or contrary to the provisions of this Act. x x x

WHEREFORE, premises considered, the instant Petition for Cancellation filed by Petitioner Nikko Kabushiki Kaisha, is, as it is hereby, **SUSTAINED**. Consequently, Certificate of Trademark Registration No. 4-2005-002924 for the registration of the trademark TOMBO for class 6 namely, door hanger and bracket set with aprons(accessories made of metal materials for, but not limited to, sliding and/or foldable gates, panels and doors); and class 8 namely, shovel, issued on 06 January 2006 in favor of Amelia P. Ong is, as it is hereby, **CANCELLED**.

Let the file wrapper of **"TOMBO"** subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, 29 July 2008.


ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs