

AUTOPHIL ZONE SALES CORPORATION, PETITIONER, VS. DIRECTOR OF BUREAU OF TRADEMARKS, RESPONDENT.

G.R. No. 270575, January 28, 2026

Ponente: LOPEZ, J.

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LOPEZ, J.:

Given the increasing complexities in intellectual property law, and in recognition that courts are not equipped with technical expertise, courts are implored to apply a more objective examination through the presentation of substantial evidence. The requirement to prove the likelihood of confusion through substantial evidence only applies when private parties are involved other than the applicant themselves. Verily, during the trademark application stage, trademark examiners of the Intellectual Property Office of the Philippines are not required to prove that their findings were anchored on substantial evidence, as examiners are guided not only by jurisprudence and existing rules, to make a well-informed conclusion to determine the likelihood of confusion.

This Court resolves a Petition for Review on Certiorari[1] assailing the Decision[2] of the Court of Appeals (CA), which upheld the Decision[3] of the Office of the Director General (ODG) of the Intellectual Property Office of the Philippines (IPOPHL). The Decision of the ODG affirmed the Decision[4] of the Director of the Bureau of Trademarks denying petitioner Autophil Zone Sales Corporation's (Autophil) registration for the mark "FUJI METAL STYLIZED." [5]

Antecedents

The instant controversy stemmed from a Trademark Application[6] filed by Autophil, a domestic corporation engaged in the importation and distribution of automotive spare parts, seeking to register its mark, "FUJI METAL STYLIZED." [7]

On September 27, 2017, Examiner Ana Maida J. Zamora (Examiner Zamora) issued a Registrability Report[8] denying Autophil's application as its mark resembled a previously registered mark "FUJI" under a certain Terrence Santos (Santos) and a mark then pending registration, also using the word "FUJI," under Leo Tire Manufacturing Corporation (Leo Tire). [9]

Autophil, through counsel, responded that its mark was not similar to those of Santos and Leo Tire, given its distinctive design and use of stylized lettering. If only, the sole similarity between the other marks was the use of the word "FUJI." In any event, Autophil raised that the word "FUJI" was diluted, having been incorporated in several registered trademarks in the Philippines. Finally, it added that confusion was highly unlikely, given that buyers of vehicles and automotive parts and accessories are particularly intelligent and would be capable of making a distinction between Autophil's products and the goods sold by the other owners of the other "FUJI" marks. [10]

On July 11, 2019, Examiner Zamora issued a Refusal[11] reiterating the denial of Autophil's application for registration. She explained that despite the distinctive elements of Autophil's mark, it fell short of curing the likelihood of confusion. A side-by-side comparison of the goods showed that they cover the same class of goods

and cater to the same channels of trade and class of consumers.[12]

Aggrieved, Autophil appealed to the Director of the Bureau of Trademarks.[13]

On December 16, 2020, Director Leny B. Raz (Director Raz) of the Bureau of Trademarks rendered a Decision[14] affirming the denial of Autophil's application for registration. Contrary to Autophil's assertion, Director Raz ruled that its mark and the cited marks of Santos and Leo Tire nearly resemble each other in appearance and overall impression due to the word "FUJI" as the dominant feature. Thus, Director Raz opined that by merely looking at the marks, consumers would likely be confused as they would recall the name "FUJI," and not the distinctive elements raised by Autophil. To further affirm the application's denial, Director Raz also raised that the goods of the subject marks were closely related, all of which involve automotive parts.[15]

Expectedly, Autophil appealed to the ODG.[16]

On December 13, 2022, the ODG dismissed Autophil's appeal and sustained the findings of Director Raz.[17] Invoking the dominance test, the ODG held that the dominant feature of Autophil's mark and the other cited marks, "FUJI," is unmistakable and would most likely cause consumer confusion. Thus, the ODG would not be inclined to register a mark with a dominant feature similar to existing registered marks.[18]

On January 13, 2023, Autophil elevated the case to the CA via a Petition for Review[19] under Rule 43 of the Rules of Court. In its Petition, Autophil urged the CA to reverse and set aside the Decision of the ODG and to approve its application for registration.[20]

In its Decision,[21] the CA denied the Petition filed by Autophil and affirmed the Decision of the ODG.[22] Aside from affirming the factual findings and expertise of the IPOPHL, the CA concurred that Autophil's mark cannot be registered for being a colorable imitation of other marks, which would most likely lead to confusion of ordinary purchasers.[23] Similarly invoking the dominance test, the CA observed that the meaning and overall impression of the marks showed no stark difference between them, as the prevalent features of Autophil's mark were phonetically and aurally the same as that of Santos and Leo Tire.[24] Also agreeing with the ODG, the CA held that the likelihood of confusion was further bolstered due to the similarity of the goods covered by the marks.[25] The CA disposed in this wise:

WHEREFORE, the instant Petition for Review dated January 13, 2023 is DENIED.

The Decision dated December 13, 2022 of the Office of the Director General of the Intellectual Property Office of the Philippines in Appeal No. 04-2021-0018, which upheld the Decision dated December 16, 2020 of the Director of the Bureau of Trademarks in Application No. 4-2017-00013013, is AFFIRMED.

Accordingly, being merely an adjunct to the main suit, the petitioner's prayer for the issuance of a temporary restraining order and/or writ of preliminary injunction is likewise DENIED.

SO ORDERED.[26] (Emphasis in the original)

Hence, Autophil filed this Petition.[27]

In advocacy of its position, Autophil impugns reversible error on the assailed Decision of the CA. It insists that while the word "FUJI" appears as the dominant feature in Autophil's mark, it should not be a reason to bar its registrability, as to do otherwise would be tantamount to a denial of equal treatment and protection. Specifically, Autophil points out that the IPOPHL has previously allowed multiple and various trademark registrations that incorporate the word "FUJI" as the dominant element. Appropriately then, the same treatment and applications must be made for Autophil's mark.[28] Given that several registered trademarks have used the word "FUJI," Autophil further opines that the word has ceased to be distinctive as it has been used widely and publicly. Thus,

an ordinary consumer would less likely be confused when such goods bearing the same word are found in the market.[29]

In its Comment,[30] the Office of the Solicitor General (OSG), in behalf of Director of the Bureau of Trademarks, maintains that the CA correctly upheld the ODG Decision, given its glaring similarity with the marks of Santos and Leo Tire.[31] Also applying the dominancy test, the OSG also finds that Autophil's mark were visually and aurally identical to the other registered marks containing the word "FUJI." In effect, the marks can reasonably be assumed by consumers to originate from a common source or that consumers might mistake one for the other.[32] Given the likelihood of confusion, the OSG prays that the denial of Autophil's registration be sustained.

Issue

The primordial issue to be resolved boils down to whether petitioner Autophil Zone Sales Corporation is entitled to its trademark registration, given that its mark could cause confusion to the public.

This Court's Ruling

The Petition lacks merit.

Dealing first with the procedural matter interposed by the OSG, it is necessary to stress that in a petition for review on certiorari, only questions of law may be raised, as questions of fact are not a proper subject of an appeal by certiorari.[33] Whether the denial of petitioner's application was proper due to the likelihood of confusion is indubitably a question of fact, as it requires this Court to conduct its own independent analysis by reexamining the evidence previously passed upon. Certainly, this Court is not duty-bound to review facts, as it is not its function to "analyze or weigh all over again evidence already considered in the proceedings below." [34]

While jurisprudence recognizes certain exceptions[35] to this rule, none are obtaining in this case. Consequently, this Court is hard-pressed to sustain the factual findings of respondent.

At any rate, this Court finds no reason to disturb the findings of the CA, having been made in accordance with law and jurisprudence. Verily, the denial of petitioner's registration is deemed proper.

Trademark is defined in *Dermaline, Inc. v. Myra Pharmaceuticals, Inc.*[36] as "any distinctive word, name, symbol, emblem, sign, or device, or any combination thereof, adopted and used by a manufacturer or merchant on his goods to identify and distinguish them from those manufactured, sold, or dealt by others." [37] As intellectual property, it is deserving of protection by law.[38] Citing the United States case of *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, [39] this Court, in *Philip Morris, Inc. v. Fortune Tobacco Corp.*, [40] underscored the rationale for trademark protection, viz.:

The protection of trademarks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trade-mark is a merchandising short-cut[,] which induces a purchaser to select what he wants, or what he has been led to believe what he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same – to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trade-mark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.[41]

The protection of trademarks is all the more warranted as they fulfill a three-fold purpose: "(1) they indicate origin or ownership of the articles to which they are attached; (2) they guarantee that those articles come up to a certain standard of quality; and (3) they advertise the articles they symbolize." [42]

Materially, it is the registration of a trademark that entitles an owner to protection. Pertinent to this case, Section 147[43] of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, grants trademark owners protection against third parties from using their trademark, or those identical or similar to their registered trademark, where such use would result in a likelihood of confusion. As emphasized in *Zulueta v. CYMA Greek Taverna Co.*,[44] trademarks are sought to be protected "to safeguard the public as consumers against confusion on these goods or services." [45] This scope of protection includes the proscription of the registration of marks that may cause confusion when compared to previously registered marks. Section 123.1(d) of Republic Act No. 8293 is clear:

SECTION 123. Registrability. — 123.1. A mark cannot be registered if it:

....

(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[.]

The concept of confusion refers to either a confusion of goods, or when "the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other,"[46] or a confusion of business, when despite the difference in the goods of the parties, the product of one may be reasonably assumed to originate from the other, resulting in the public being deceived to believe that some connection between the two parties exist.[47] Regardless of form however, this confusion arises when the goods or services covered by the allegedly similar marks are "identical, similar, or related in some manner." [48]

To determine the likelihood of confusion, regardless of whether it arises from a confusion of goods or a confusion of business, the 2020 Revised Rules of Procedure for Intellectual Property Rights Cases[49] instructs that courts must take into consideration the general impression of the ordinary purchaser, buying under prevalent conditions and the visual, aural and connotative comparisons of the trademarks in question. To be specific, this Court laid down a spectrum of factors in Rule 18, Section 5 of the abovementioned Rule, such as but not limited to:

a)

the strength of plaintiff's mark;

b)

the degree of similarity between the plaintiff's and the defendant's marks;

c)

the proximity of the products or services;

d)

the likelihood that the plaintiff will bridge the gap;

e)

evidence of actual confusion;

f)

the defendant's good faith in adopting the mark;

g)

the quality of defendant's product or service; and/or

h)

the sophistication of the buyers.

In *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*,^[50] this Court collectively referred to such criteria as the "multifactor test." Also, in *Kolin*, this Court identified two factors that are particularly relevant in trademark law: "resemblance of marks (the degree of similarity between the plaintiffs and the defendant's marks) and the relatedness of goods or services (the proximity of products or services)."^[51]

Measured against the crucible of these two factors, petitioner's mark causes the likelihood of confusion.

In assessing the resemblance of marks, jurisprudence has fashioned two tests, namely, the Dominancy Test and the Holistic or the Totality Test. As expounded in *Dy v. Court of Appeals*:^[52]

In determining similarity and likelihood of confusion, jurisprudence has developed two tests: the dominancy test, and the holistic or totality test.

On one hand, the dominancy test focuses on "the similarity of the prevalent or dominant features of the competing trademarks that might cause confusion, mistake, and deception in the mind of the purchasing public. Duplication or imitation is not necessary; neither is it required that the mark sought to be registered suggests an effort to imitate. Given more consideration are the aural and visual impressions created by the marks on the buyers of goods, giving little weight to factors like prices, quality, sales outlets, and market segments."

On the other hand, the holistic or totality test necessitates a "consideration of the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. The discerning eye of the observer must focus not only on the predominant words, but also on the other features appearing on both labels so that the observer may draw conclusion on whether one is confusingly similar to the other."^[53] (Citations omitted)

While both tests have been heavily relied upon in the past, this Court, with finality, held in *Kolin* that the use of the Holistic Test should be abandoned. More than mere judicial preference, the recent trend of jurisprudence reveals that the Dominancy Test is now being applied, having been explicitly incorporated by the legislature in Republic Act No. 8293. Citing its reasoning in *McDonald's Corp. v. L.C. Big Mak Burger, Inc.*,^[54] this Court illumined:

Needless to say, the current state of jurisprudence in deciding the resemblance of marks is unclear. Out of the two tests, however, only the Dominancy Test has been incorporated in the IP Code. This was discussed in *McDonald's Corporation v. L.C. Big Mak Burger, Inc.*, where the Court also observed its own reliance on the dominancy test, thus:

This Court, however, has relied on the dominancy test rather than the holistic test. The dominancy test considers the dominant features in the competing marks in determining whether they are confusingly similar. Under the dominancy 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. Courts will consider more the aural and visual impressions created by the marks in the public mind, giving little weight to factors like prices, quality, sales outlets[,] and market segments.

[. . .]

The test of dominancy is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code which defines infringement as the "colorable imitation of a registered mark [. . .] or a dominant feature thereof."

More than an indicator of a mere preference for the Dominancy Test, it appears that the legislative intent in explicitly adopting the Dominancy Test was to abandon the Holistic Test altogether, as can be seen in the legislative deliberations:

Trademarks

Part III of the Code is the new law on trademarks.

[. . .]

To resolve the conflicting doctrines regarding what constitutes colorable imitation of a registered mark, the Code adopts the Dominancy Test so that any person who uses in commerce any colorable imitation of [a] registered mark or a dominant feature thereof shall be liable for damages for infringement.

[. . .]

Policy Issues

We have summarized the basic features of the proposed Intellectual Property Code. Let me now try to identify provisions of the Code that may be the focus of policy debates.

Without being exclusive, they are the following:

[. . .]

Trademarks

[. . .]

8. The committee notes the varying decisions of the Supreme Court regarding colorable imitation of a registered mark. There are decisions which espouse the Dominancy Test, while there are others which use the Holistic Test. We, therefore, recommend the adoption of the Dominancy Test to resolve once and for all the debate.

Considering the adoption of the Dominancy Test and the abandonment of the Holistic Test, as confirmed by the provisions of the IP Code and the legislative deliberations, the Court hereby makes it crystal clear that the use of the Holistic Test in determining the resemblance of marks has been abandoned.[55] (Emphasis in the original, citations omitted)

Applying the Dominancy Test in the present case, this Court finds no reason to depart from respondent's findings that petitioner's mark "FUJI METAL STYLIZED" is confusingly similar to the previously registered marks of Santos and Leo Tire. Respondent, as an administrative agency, is in a better position to pass judgment on matters within its expertise by reason of its specialized knowledge in matters of intellectual property. Indeed, "their findings of fact in that regard are generally accorded great respect, if not finality by the courts, so long as they are supported by substantial evidence, even if such evidence might not be overwhelming or even preponderant." [56]

For ease of reference, the subject marks are reproduced in the following table:

Petitioner

Leo Tire Manufacturing Corporation

Terence Santos

Marks (Image supposed to be here) (Image supposed to be here) (Image supposed to be here)

Application No.

4/2017/013013

4/2016/00005166

4/2011/00009078

Filing Date

August 14, 2017

May 12, 2016

March 18, 2014

Current Status

Denied registration due to likelihood of confusion

Registered

Registered

Class Covered

12

12

7

Goods Covered

Automotive parts and fittings, namely leaf spring, U-bolt and radiator, pinion ring gear and crank shaft

Motorcycle, bicycle, and automobile tires and interior

Wiper linkage, wiper motor, transmission filters, collar and lock rings, flywheel ring gears, main drive retainer assembly, main shaft assembly, synchronizer assembly, counter gear assembly, counter gear shaft, counter gear pilot bearing, counter gear thrust washer, doorlock, timing belt, timing belt idler bearing, timing belt idler bearing with bracket assembly, timing chain tensioner, timing drive gear, oil seal, timing cover for seal, transmission oil seal, differential oil seal, wheel hub oil seal, crankshaft oil seal, wheel oil seal, injection pump nozzle tip, oil pump assembly, oil pump drive gear, oil cooler, oil pump (crankcase), drain plug, overhaul full set gasket, valve (grind set) gasket, valve cover gasket, intake manifold gasket, exhaust manifold gasket, manifold gasket, timing cover gasket, exhaust pipe gasket, oil pan (crankcase) gasket, oil filter, fuel filter, air filter, filter for cars and trucks.[57]

Discernibly, the word "FUJI," all written out in plain block upper case letters, appears as the prevalent feature of all three marks. However, this Court observes that Santos's mark encloses the word "FUJI" in a colored rectangle, in contrast to the marks of petitioner and Leo Tire which are not laid out against any shape or color.[58] This

minute difference is immaterial and should be disregarded. A simple comparison between the marks reveals that such distinction makes no perceptible difference in terms of appearance, sound, connotation, or overall impression, given that the word "FUJI" itself is the subject of registration.

For another, petitioner's argument that the addition of the word "METAL" to negate any impression of confusion does little for its cause.

The case of *Societe Des Produits, Nestle, S.A. v. Puregold Price Club, Inc.*[59] finds particular application in this case. In *Societe*, the respondent sought to register its trademark, "COFFEE MATCH" with the IPOPHL for its coffee products. Petitioner filed an opposition, alleging that it was the exclusive owner of an internationally well-known mark, "COFFEE-MATE." [60] This Court, making direct reference to Section 123.1(h) [61] of Republic Act No. 8293, held that while the respondent's mark may be subject to registration, the word "COFFEE" as part of its mark may not be considered in determining distinctiveness for being generic and descriptive. By definition, generic terms are those which constitute "the common descriptive name of an article or substance," or those which "refer to the basic nature of the wares or services provided[.]" [62] Accordingly, these terms are part of the public domain and cannot be exclusively appropriated or registered by the parties, nor can it be monopolized as a trademark. [63] This Court, in assessing registrability, thus, concluded that it may only consider the other elements of petitioner's mark as paired with the generic word in determining the likelihood of confusion.

In the instant case, it is plain that the word "METAL" is not subject to registration for being generic and descriptive of the goods that it seeks to identify—in this case, automobile spare parts. Effectually, neither may it be considered nor even used as a determining factor to distinguish petitioner's mark in relation to that of Santos and Leo Tire. Without any clear-cut element to distinguish petitioner's mark, there is nothing that would eradicate the possibility of mistake or confusion due to the marks' resemblance.

This visible resemblance between the marks was even further amplified by the relatedness of the goods involved.

In determining relatedness, this Court points out that pursuant to its ruling in *Kolin*, it had already abandoned the use of product or service classification as a factor in determining relatedness or nonrelatedness, given that it serves an administrative purpose, to provide trademark offices worldwide with an efficient manner to organize trademark applications. Instead, this Court has shifted to applying the factors laid down in *Mighty Corporation v. E. & J. Gallo Winery* [64] in analyzing relatedness, thus:

(a)

the business (and its location) to which the goods belong[;]

(b)

the class of product to which the goods belong[;]

(c)

the product's quality, quantity, or size, including the nature of the package, wrapper or container[;]

(d)

the nature and cost of the articles[;]

(e)

the descriptive properties, physical attributes or essential characteristics with reference to their form,

composition, texture or quality[;]

(f)

the purpose of the goods[;]

(g)

whether the article is bought for immediate consumption, that is, day-to-day household items[;]

(h)

the fields of manufacture[;]

(i)

the conditions under which the article is usually purchased[;] and

(j)

the channels of trade through which the goods flow, how they are distributed, marketed, displayed and sold.[65] (Citations omitted)

The evidence on record, and upon application of the factors mentioned above, yields to the conclusion that the goods covered by petitioner's mark and the marks of Santos and Leo Tire are related.

According to petitioner's trademark application form, the goods under the mark "FUJI METAL STYLIZED" pertain to automotive parts and fittings, including "leaf spring, U-bolt and radiator, pinion ring gear, and crank shaft." [66] On the other hand, Santos's mark "FUJI" covers automobile parts, such as: "wiper linkage, wiper motor, transmission filters, collar and lock rings, flywheel ring gears, main drive retainer assembly, main shaft assembly, synchronizer assembly, counter gear assembly, counter gear haft, counter gear pilot bearing, counter gear thrust washer, doorlock, timing belt, timing belt idler bearing, timing beat idler bearing with bracket assembly[.]" [67] to name a few. On the other hand, Leo Tire's mark "FUJI" involves "[m]otorcycle, bicycle, and automobile tires and interior." [68] Taken together, it is plain that the goods all involve automotive parts, and, thus, belong to the same class of products and serve the same purpose. More, it may be found in the same channels of trade, and may appeal to the same purchasers. It is therefore not difficult to imagine that ordinary purchasers would safely presume that these goods come from the same business or source.

In addition to the factors introduced in *Mighty Corporation*, another basis for finding relatedness is complementarity.

Finding the ruling of the US Trademark Trial and Appeal Board in *Hewlett Packard Development Company, L.P. v. Vudu, Inc.* [69] logical and persuasive, this Court held in *Kolin* that the petitioner's goods consisting of "automatic voltage regulator, converter, recharger, stereo booster, AC-DC regulated power supply, step-down transformer, PA amplified AC-DC" [70] in relation to the respondent's goods, "televisions, DVD players," [71] are complementary and may be used together, thus, increasing the likelihood of confusion. [72] Notably, this factor of complementarity was similarly echoed in the later case of *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.* [73]

Applying this reasoning to the present dispute, this Court finds that by their descriptions, the goods covered by petitioner's mark are indeed complementary to those covered by the marks of Santos and Leo Tire, as they may be used for the same purpose, namely, for automobiles and other vehicles.

At this juncture, this Court is cognizant of its recent ruling in *Innolab Industries, Inc. v. Unilab Laboratories*,

Inc.,[74] where it bared the realities of how courts assess the likelihood of confusion: owing perhaps to the growing complexities in the field of intellectual property law, courts have "had to resort to 'unsubstantiated assumptions and generalizations about consumers and their behavior, arbitrary categorizations of goods and services, and even outright derogatory classist stereotypes.'"[75]

Consequently then, this Court, in *Innolab*, citing the Separate Concurring Opinion of Senior Associate Justice Marvic Mario Victor F. Leonen, underscored the need for evidence-based standards to determine the likelihood of confusion, which may be "through testimonies of 'stringently qualified' witnesses, or market surveys 'conducted with the appropriate methodology, proper sampling and scope, and the relevant market conditions.'"[76] Thus, this Court concluded that parties opposing a mark sought to be registered must present substantial evidence, or "evidence a reasonable mind might accept as adequate to support a conclusion,"[77] as the quantum of evidence required in intellectual property cases.[78] In the same manner, courts or other hearing tribunals must likewise anchor their conclusions on substantial evidence thus, avoiding "making inferences," most especially "where no evidence has been put forth to prove it." [79]

To be sure, the onus to present substantial evidence to prove the likelihood of confusion only arises when private parties are involved other than the applicant themselves. Associate Justice Alfredo Benjamin S. Caguioa aptly points out that at the application stage, when the applicant is before the trademark examiners of the IPO, the trademark examiners are not required to prove their finding by substantial evidence, given that "the IPO acts as a specialized regulatory body tasked to, among other, protect the buying public from being deceived or confused on what products to purchase." [80] Verily, apart from the guiding principles laid down in jurisprudence, trademark examiners likewise adhere to the Association of Southeast Asian Nations Common Guidelines for the Substantive Examination of Trademarks (Common Guidelines).[81] The Common Guidelines recognize that while a trademark examiner's analysis and appreciation of each case to determine the likelihood of confusion involves a degree of subjectivity, it laid down the following standard examination criteria to consider, thus:

To decide if there is a likelihood of confusion, both the earlier mark and the later mark should be assessed. To this effect:

- The examiner should assess the distinctiveness of the earlier mark as a whole, on the understanding that an earlier registered mark is presumed to have a certain degree of distinctiveness.
- All the components of the earlier mark and of the later mark must be assessed, prioritizing the coinciding components.

A likelihood of confusion should only be found after a global assessment of all the factors and circumstances that are relevant in each particular case. One single factor will not suffice to establish a likelihood of confusion in a particular case.

A global assessment of all the relevant factors and circumstances does not exclude—but rather follows—a step-by-step analysis of those factors and circumstances as they apply to the signs under consideration.

The factors that are relevant to determine a likelihood of confusion are linked and interdependent, and include:

- o the similarity of the signs in conflict,
- o the similarity of the goods or services involved,
- o

the relevant public and consumers,

o

other relevant factors, and

o

the global assessment of the likelihood of confusion.[82] (Emphasis in the original)

Given the foregoing, clear parameters have already been established for trademark examiners to reach a well-informed decision on whether an applicant's trademark is likely to cause confusion to consumers in relation to other existing trademarks. After all, trademark examiners are vested with the power to examine applications and determine whether they meet the requirements for application for registration and whether the mark is indeed registrable. More specifically, Section 133 of Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines" provides:

Section 133. Examination and Publication. — 133.1. Once the application meets the filing requirements of Section 127, the Office shall examine whether the application meets the requirements of Section 124 and the mark as defined in Section 121 is registrable under Section 123.

133.2. Where the Office finds that the conditions referred to in Subsection 133.1 are fulfilled, it shall upon payment of the prescribed fee, forthwith cause the application, as filed, to be published in the prescribed manner.

133.3. If after the examination, the applicant is not entitled to registration for any reason, the Office shall advise the applicant thereof and the reasons therefor. The applicant shall have a period of four (4) months in which to reply or amend his application, which shall then be re-examined. The Regulations shall determine the procedure for the re-examination or revival of an application as well as the appeal to the Director of Trademarks from any final action by the Examiner.

133.4. An abandoned application may be revived as a pending application within three (3) months from the date of abandonment, upon good cause shown and the payment of the required fee.

133.5. The final decision of refusal of the Director of Trademarks shall be appealable to the Director General in accordance with the procedure fixed by the Regulations. [Section 7, Republic Act No. 166a]

Here, there is no cogent reason to cast doubt on the findings of Examiner Zamora, given that she had clearly explained in the Registrability Report and Refusal why petitioner's mark would cause likelihood of confusion, given the existence of prior registered marks owned by Santos and Leo Tire.

Further, given the lack of any distinct visual and aural differences of the marks upon the application of the Dominancy Test, and the clear relatedness of the items covered by the subject marks, this Court finds no reason to depart from respondent's findings and reject the registration of petitioner's mark.

ACCORDINGLY, the Petition is DENIED. The November 13, 2023 Decision of the Court of Appeals in CA-G.R. SP No. 176717 is AFFIRMED. Trademark Application No. 4-2017-00013013 filed by petitioner Autophil Zone Sales Corporation is DENIED.

SO ORDERED.

Ges mundo, C.J., Inting, Zalameda, Gaerlan, Rosario, Dimaampao, Marquez, Kho, Jr., and Villanueva, JJ., concur. Leonen, SAJ., Caguioa, and Hernando, JJ., see concurring opinions. Lazaro-Javier, J., with concurrence.

Singh,[*] J., on leave.

[*] On leave.

[1] Rollo, pp. 34-63.

[2] Id. at 11-33. The November 13, 2023 Decision in CA-G.R. SP No. 176717 was penned by Associate Justice Rex Bernardo L. Pascual and concurred in by Associate Justices Gabriel T. Robeniol and Tita Marilyn B. Payoyo-Villordon of the Special Ninth Division, Court of Appeals, Manila.

[3] Id. at 88-93. The December 13, 2022 Decision in Appeal No. 04-2021-0018 was penned by Director General Rowel S. Barba, Intellectual Property Office of the Philippines, Taguig City.

[4] Id. at 94-97. The December 16, 2020 Decision in Application No. 4-2017-00013013 was penned by Director Leny B. Raz, Bureau of Trademarks, Taguig City.

[5] Id.

[6] Id. at 101-103.

[7] Id.

[8] Id. at 105-107.

[9] Id.

[10] Id. at 109.

[11] Id. at 99.

[12] Id.

[13] Id. at 118-120.

[14] Id. at 94-97.

[15] Id. at 96.

[16] Id. at 156-173.

[17] Id. at 88-93.

[18] Id. at 93.

[19] Id. at 261-295.

[20] Id. at 289.

[21] Id. at 11-32.

[22] Id. at 31-32.

[23] Id. at 19-24.

[24] Id. at 24-25.

[25] Id. at 26.

[26] Id. at 31-32.

[27] Id. at 34-63.

[28] Id. at 47-51.

[29] Id. at 53.

[30] Id. at 543-566.

[31] Id. at 550-551.

[32] Id. at 556.

[33] See *Gatan v. Vinarao*, 820 Phil. 257, 266 (2017) [Per J. Leonardo-De Castro, First Division].

[34] *Miro v. Vda. de Erederos*, 721 Phil. 772, 785 (2013) [Per J. Brion, Second Division].

[35] *Medina v. Mayor Asistio, Jr.*, 269 Phil. 225, 232 (1990) [Per J. Bidin, Third Division].

[36] 642 Phil. 503 (2010) [Per J. Nachura, Second Division].

[37] Id. at 510-511. (Citation omitted)

[38] Id. at 511.

[39] 316 U.S. 203 (1942).

[40] 526 Phil. 300 (2006) [Per J. Garcia, Second Division].

[41] Id. at 310.

[42] *W Land Holding, Inc. v. Starwood Hotels and Resorts Worldwide, Inc.*, 822 Phil. 23, 33 (2017) [Per J. Perlas-Bernabe, Second Division]. (Citation omitted)

[43] SECTION 147. Rights Conferred. — 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

147.2. The exclusive right of the owner of a well-known mark defined in Subsection 123.1(e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: Provided, That use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered mark: Provided, further, That the interests of the owner of the registered mark are likely to be damaged by such use.

[44] 934 Phil. 34 (2023) [Per J. Kho, Jr., Second Division].

[45] Id. at 41.

[46] *Sterling Products International, Incorporated v. Farbenfabriken Bayer Aktiengesellschaft*, 137 Phil. 838, 852 (1969) [Per J. Sanchez, En Banc].

[47] Id.

[48] *Mang Inasal Philippines, Inc. v. IFP Manufacturing Corp.*, 811 Phil. 261, 272 (2017) [Per J. Velasco, Jr.,

Third Division]. (Citation omitted)

[49] SC A.M. No. 10-3-10-SC, October 19, 2020.

[50] 896 Phil. 190 (2021) [Per J. Caguioa, En Banc].

[51] *Id.* at 216.

[52] 807 Phil. 819 (2017) [Per C.J. Sereno, First Division].

[53] *Id.* at 830-831.

[54] 480 Phil. 402 (2004) [Per J. Carpio, First Division].

[55] *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*, 896 Phil. 190, 218-220 (2021) [Per J. Caguioa, En Banc].

[56] *Berris Agricultural Co., Inc. v. Abyadang*, 647 Phil. 517, 533 (2010) [Per J. Nachura, Second Division].

[57] *Rollo*, pp. 102, 106-107.

[58] *Id.*

[59] 817 Phil. 1030 (2017) [Per Acting C.J. Carpio, Second Division].

[60] *Id.* at 1047.

[61] Republic Act No. 8293 (1997), sec. 123.1(h) states:

SECTION 123. Registrability. — 123.1 A mark cannot be registered if it: . . .

(h) Consists exclusively of signs that are generic for the good or services that they seek to identify[.]

[62] *Ginebra San Miguel, Inc. v. Director of the Bureau of Trademarks*, 927 Phil. 355, 387 (2022) [Per C.J. Gesmundo, En Banc].

[63] See *Societe Des Produits, Nestle, S.A. v. Puregold Price Club, Inc.*, 817 Phil. 1030, 1047 (2017) [Per Acting C.J. Carpio, Second Division].

[64] 478 Phil. 615 (2004) [Per J. Corona, Third Division].

[65] *Id.* at 662-663.

[66] *Rollo*, p. 102.

[67] *Id.* at 106.

[68] *Id.*

[69] Opposition No. 91185393, October 26, 2009, available at <https://ttabvue.uspto.gov/ttabvue/ttabvue-91185393-OPP-15.pdf> (last accessed on February 12, 2026).

[70] *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*, 896 Phil. 190, 262 (2021) [Per J. Caguioa, En Banc].

[71] *Id.* at 263.

[72] *Id.*

[73] 907 Phil. 124 (2021) [Per J. Caguioa, First Division].

[74] G.R. No. 257075, August 5, 2025 [Per J. Kho, Jr., En Banc]. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

[75] Id. at 15. (Citation omitted)

[76] Id. at 15-16. (Citation omitted)

[77] Gloria Maris Shark's Fin Restaurant, Inc. v. Lim, 954 Phil. 363, 371 (2024) [Per J. Singh, Third Division].

[78] Id.

[79] Innolab Industries, Inc. v. Unilab Laboratories, Inc., G.R. No. 257075, August 5, 2025 [Per J. Kho, Jr., En Banc] at 16. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

[80] J. Caguioa, Concurring Opinion, p. 3.

[81] Common Guidelines for the Substantive Examination of Trademarks available at <https://asean.org/wp-content/uploads/2021/08/ASEAN-Common-Guidelines-for-the-Substantive-Examination-of-Trademarks-Second-Edition-2020.pdf> (last accessed on February 12, 2026).

[82] Id.

SEPARATE CONCURRING OPINION

LEONEN, SAJ:

I concur in the result. I commend the ponencia's recognition of the need for better "evidence-based standards" for determining the likelihood of confusion in trademark disputes.[1] I further commend the ponente and my colleagues for the spirited discussion that refined the nuances of this Court's understanding of likelihood of confusion between competing trademarks.

However, I maintain my position that the Philippine Intellectual Property Office's analysis of likelihood of confusion, as affirmed by the Court of Appeals, requires an empirical basis beyond the subjective determination of an individual judge or examiner. I offer this concurring opinion in support of the ponencia and to expound on the development of this position.

The Petition for Review on Certiorari involves a trademark registration application filed by Autophil Zone Sales Corporation (Autophil), which sought to register the mark "FUJI METAL STYLIZED" with the Philippine Intellectual Property Office.[2] Acting on the application, the Philippine Intellectual Property Office's trademark examiner (the examiner) issued a Registrability Report, which found that Autophil's mark resembled a previously registered mark and another mark pending registration. Specifically, Autophil's mark contained the identical element "FUJI." Thus, the examiner denied Autophil's application.[3]

According to the examiner, Autophil's mark "fell short of curing the likelihood of confusion" with other marks containing the element "FUJI." [4] On appeal to the Director of the Bureau of Trademarks, and later, to the Office of the Director General, both affirmed the examiner's denial of Autophil's application.[5]

Autophil then appealed the Philippine Intellectual Property Office's findings to the Court of Appeals, which likewise denied the appeal.[6] The Court of Appeals affirmed the Director General's Decision, finding that Autophil's "FUJI METAL STYLIZED" mark was a colorable imitation of other marks bearing the word "FUJI." [7] Based on the dominancy test, the Court of Appeals ruled that "the meaning and overall impression of

the marks showed no stark difference between them" given their phonetic and aural similarities.[8] Moreover, the appellate court affirmed the Director General's finding that the competing marks covered the same class of goods, channels of trade, and types of consumers.[9]

Before this Court, Autophil argues that since the Philippine Intellectual Property Office has allowed the registration of other marks using "FUJI" as their dominant element, equal treatment and protection under the law should have allowed the registration of Autophil's "FUJI METAL STYLIZED" mark.[10] Additionally, Autophil contends that the recurrence of "FUJI" in several registered marks has rendered it non-distinctive.[11]

Thus, the issue before this Court is whether the Philippine Intellectual Property Office correctly denied Autophil's application for registration of its trademark. Concurrently, this Court must resolve whether the Intellectual Property Office of the Philippines correctly found a likelihood of confusion between Autophil's "FUJI METAL STYLIZED" mark and other marks that contain "FUJI" as their dominant feature.

I respectfully maintain that the examination of likelihood of confusion lacks scientific and empirical bases for its conclusions. While not explicitly required by law in determining a mark's registrability, I submit that incorporating scientific and empirical methods in examining the likelihood of confusion would clarify the basis for administrative and judicial findings.

I further agree that administrative trademark examination deserves judicial respect in the absence of contrary findings. However, I offer this opinion to emphasize that the current standard lacks the perspective needed to examine a phenomenon as complex as market confusion. A paper titled "Registering Disagreement: Registration in Modern American Trademark Law" examines the nuanced nature of trademark confusion and how courts have been expected to determine its existence:

To unpack the concept of confusion a bit, the scope of trademark protection today is largely determined by what courts think consumers think. If consumers are likely to believe, because of the defendant's use of some symbol, that there is an association between the defendant and the plaintiff, then courts will find that the plaintiff has trademark rights in that symbol and therefore that the defendant infringed. This liability is subject to (1) ongoing disagreement about what counts as actionable association, and (2) non-confusion-based defenses that preclude liability, such as functionality (the symbol performs some function that is important for all competitors to be able to use freely, such as a bottle shape that uses less material to manufacture) or the First Amendment (the defendant is engaged in constitutionally protected noncommercial speech, such as in a book or movie).

Scholars are in general agreement that trademark law's understanding of confusion has stretched past any meaningful definition of the term; is often a mere label covering disapproval of apparent free riding; lacks an empirically sound basis in consumer psychology; and threatens both free expression (by suppressing communicative uses of trademarks) and consumer welfare (by making it harder for competitors to provide consumers with product features they desire). Much of this criticism, however, has targeted the confusion standard and related defenses, without addressing the effects of overexpansion on the registration system.[12]

Another article titled, "Taking the Confusion Out of 'Likelihood of Confusion': Toward a More Sensible Approach to Trademark Infringement," emphasizes how legal tests for determining likelihood of confusion lack normative foundations and have led to inconsistency in application in United States trademark cases:

The liability standards for trademark infringement are a mess. For most trademark suits, liability turns on the likelihood that an ordinary consumer will be confused. The likelihood of consumer confusion, in turn, depends on a multifactor test, the application of which varies from circuit to circuit. These multifactor tests are deeply flawed. They support an open-ended and relatively subjective approach that generates serious litigation uncertainty, chills beneficial uses of marks, and supports socially problematic expansions of trademark law. It

is time to take a closer look at the "likelihood of confusion" test with an eye to replacing it with a more sensible approach to trademark infringement.

In recent years, trademark scholars have identified a number of problems with the likelihood of confusion test. In 2006, Professor Barton Beebe described it as "in a severe state of disrepair" and complained in particular about its inconsistent formulation and application across circuits. More recently, Professor William McGeveran criticized the test's uncertainty and the high litigation costs it generates. He argued that trademark owners exploit this uncertainty and high cost to chill legitimate uses of marks. Professor Michael Grynberg points to problematic expansions in the types of actionable confusion—from source to sponsorship and from point-of-purchase to initial interest and post-sale—that create product monopolies, impair First Amendment interests, and interfere with creative consumer search techniques on the Internet. Professors Mark Lemley and Mark McKenna argue that these problematic expansions are linked to the multifactor test's uncritical focus on likely confusion itself, without regard to the materiality of the confusion to consumer choice. Professor Rebecca Tushnet agrees. She draws on a comparison between trademark law and false advertising to argue for the addition of a materiality requirement to trademark infringement.

These are important criticisms. At a deep level, the likelihood of confusion test rests on an inadequately justified and normatively incomplete premise. That premise assumes that the ultimate goal of trademark law is to prevent consumer confusion. But this makes no sense. People are often confused in their ordinary lives and the law does not intervene to help. Before a likelihood of confusion can trigger trademark liability, there must be a good reason why the law should prevent confusion when it involves consumers responding to marks. In short, the likelihood of confusion test suffers from a normative gap. It focuses exclusively on the probability of confusion when it should also consider confusion-related harm and the reasons for redressing that harm.[13] (Emphasis supplied, citations omitted)

Foreign laws and precedents are shaped by contexts different from our own and may not squarely apply to matters relevant to our jurisdiction. However, I submit that the international significance and applicability of trademark laws on likelihood of confusion provide sufficient common ground for this Court to apply the same reasoning to similar local issues. As discussed in the cited papers, our rules and doctrines on trademark confusion rely heavily on an examiner's or a judge's subjective impressions. This makes assessments of registrability quick and simple but sacrifices nuance, despite the fact that trademark confusion is a highly nuanced phenomenon.

I respectfully submit that our jurisdiction's method of assessing likelihood of confusion should have scientific or empirical support. This would allow for a clarity of basis and a depth of understanding that the current analytical framework unfortunately lacks. In doing so, the Philippine Intellectual Property Office, together with the courts, will be better equipped to address, with greater accuracy and consistency, the harms arising from trademark confusion.

I agree that presenting substantial evidence of confusion during registration proceedings before the Intellectual Property Office's trademark examiner may be impracticable, as these proceedings are non-adversarial and parties have not yet been called to present evidence. However, this does not diminish the need for a better approach to determining likelihood of confusion. Whether through clarifying the Philippine Intellectual Property Office's standards or implementing such methods in court proceedings, I have consistently expressed the need for empirical means of determining likelihood of confusion.

In *Asia Pacific International Holdings, Ltd. v. Paperone, Inc.*,^[14] this Court upheld the finding that Paperone, Inc. was liable for unfair competition because the relatedness of the parties' paper products might lead consumers to conclude that "PAPER ONE products are manufactured by or are products of Paperone, Inc."^[15] Despite my concurrence in the ponencia's ultimate ruling, I expressed concern over a doctrinal overreliance on the subjective findings of courts and administrative agencies on the likelihood of confusion in intellectual property disputes:^[16]

My discomfort with the prevailing doctrine is that determining whether goods or services are related is left solely to the subjective evaluation of the Philippine Intellectual Property Office or the judgment of the court. It is based on ad hoc inferences of similarity in class, physical attributes or descriptive properties, purpose, or points of sale of the goods or services. Here, the Bureau of Legal Affairs of the Intellectual Property Office, as affirmed by the Director-General, found that respondent committed unfair competition based on a simplistic conclusion that "[b]oth Complainant APRIL and Respondent's main business product is paper[;] both offer papers for sale to the public." We should improve on the standard by which likelihood of confusion is measured, considering the advances in the study of competition and economics in general.

There should be objective, scientific, and economic standards to determine whether goods or services offered by two parties are so related that there is a likelihood of confusion. In a market, the relatedness of goods or services may be determined by consumer preferences. When two goods are proved to be perfect substitutes, where the marginal rate of substitution, or the "consumer's willingness to substitute one good for another while maintaining the same level of satisfaction" is constant, then it may be concluded that the goods are related for the purposes of determining likelihood of confusion. Even goods or services, which superficially appear unrelated, may be proved related if evidence is presented showing that these have significant cross-elasticity of demand, such that changes of price in one party's goods or services change the price of the other party's goods and services. Should it be proved that goods or services belong to the same relevant market, they may be found related even if their classes, physical attributes, or purposes are different.[17]

I then referred to *Shell Co. of the Philippines, Ltd. v. Ins. Petroleum Refining Co., Ltd.*[18] as viable precedent for adopting a more objective approach to evaluating the likelihood of confusion or of alleged detriment to a party's business interests:

We can build on past jurisprudence of this Court. In *Shell Co. of the Philippines, Ltd. v. Ins. Petroleum Refining Co., Ltd.* and *CA*, this Court did not give credence to a complainant's claim that the entry into the market of the defendant's products, which were allegedly sold in complainant's drums, caused a decrease in complainant's sales. Thus, no unfair competition could be imputed to the defendant:

Petitioner contends that there had been a marked decrease in the volume of sales of low-grade oil of the company, for which reason it argues that the sale of respondent's low-grade oil in Shell containers was the cause. We are reluctant to share the logic of the argument. We are more inclined to believe that several factors contributed to the decrease of such sales. But let us assume, for purposes of argument, that the presence of respondent's low-grade oil in the market contributed to such decrease. May such eventuality make respondent liable for unfair competition? There is no prohibition for respondent to sell its goods, even in places where the goods of petitioner had long been sold or extensively advertised. Respondent should not be blamed if some of petitioner's dealers buy Insoil oil, as long as respondent does not deceive said dealers. If petitioner's dealers pass off Insoil oil as Shell oil, that is their responsibility. If there was any such effort to deceive the public, the dealers to whom the defendant (respondent) sold its products and not the latter, were legally responsible for such deception. The passing of said oil, therefore, as product of Shell was not performed by the respondent or its agent, but petitioner's dealers, which act respondent had no control whatsoever.

These cases illustrate the many ways by which specialized agencies and courts may objectively evaluate the relatedness of allegedly competing goods and services. An analysis that ends in a mere finding of confusing similarity in the general appearance of the goods should not suffice.[19] (Citations omitted)

Thus, my concurrence in *Asia Pacific International Holdings Ltd.* stressed that while the prevailing legal definitions of confusion and unfair competition may have been sufficient, the method for determining their existence required a more discerning basis grounded in empirical approaches. It is not enough for courts and administrative agencies to rule on the likelihood of confusion based solely on a good's general appearance.[20]

Later, *Prosel Phamaceuticals & Distributors, Inc. v. Tynor Drug House, Inc.*[21] adopted my observations in *Asia*

Pacific International Holdings Ltd., calling for "objective, scientific, and economic standards"[22] for determining the relatedness of goods and services, and their concurrent likelihood of confusion. However, the ponencia maintained the Court of Appeals' finding of trademark infringement, as follows:

This Court is aware that countless products circulate around the market today which may be viewed as strikingly similar and may bring forth a likelihood of confusion to its target market. With increasing product and service competition, the determination of a likelihood of confusion becomes more complex. While jurisprudence has developed the Dominancy Test and Holistic/Totality Test to determine whether there is a likelihood of confusion between competing marks, the application of such tests is normally left to the subjective judgment of the IPO or the courts. Albeit this Court recognizes the expertise of the IPO on matters involving trademark and copyright infringement, the fact remains that the products are aimed at a particular target market outside of the individual personalities of those in the IPO and the courts. Therefore, there may be underlying factors in a mark that are discernible by a product's target market which the IPO or the courts might not observe. Conversely, there may be factors which the IPO or the courts may deem considerable but are immaterial to the target market. Thus, the ponencia adopts the observations of Justice Leonen in *Asia Pacific Resources International Holdings, Ltd. v. Paperone, Inc.* that there should be "objective, scientific, and economic standards to determine whether goods or services offered by two parties are so related that there is a likelihood of confusion."

Notwithstanding such standards, CEEGEEFER's use of its brand name and packaging undeniably creates a likelihood of confusion with CHERIFER. The similarities are apparent: (1) CHERIFER and CEEGEEFER are phonetically alike; (2) the pictures on CHERIFER and CEEGEEFER's packages are practically indistinguishable — both depicting the right profile or side of a boy wearing a basketball jersey and a baseball cap shooting a basketball on a hoop with their knees slightly bent; (3) both phrases on top of CHERIFER and CEEGEEFER's picture start with the letters "H" and "M" in an arc that both have a different colored line in the middle; (4) the packages have a drawing of a ribbon; and (5) the packages use the colors orange and yellow. More importantly, CHERIFER and CEEGEEFER are both over-the-counter vitamin supplements promoting growth for children by including the CGF component. The addition of its star ingredient, CGF, is what separates CEEGEEFER and CHERIFER from other children's vitamin supplements sold in the market. The reason for CHERIFER's and CEEGEEFER's focus on a child's growth is simple: it addresses one of a parent's main concerns for their early childhood and pre-adolescent children. With CHERIFER and CEEGEEFER targeting the same relevant market (i.e., over-the-counter children's growth vitamin supplement) and given their glaring similarities, CHERIFER and CEEGEEFER are reasonably interchangeable and are almost perfect substitutes of each other. Note, too, that since CHERIFER and CEEGEEFER are over-the-counter products (and were, in fact even sold side-by-side in some establishments), the propensity to mistakenly purchase one for the other is high.[23] (Emphasis supplied, citations omitted)

Thus, my separate opinion[24] in the same case disagreed with the ponencia's assessment and reiterated that an effective, evidence-based standard requires a more objective foundation than the isolated perspective of a judge or administrative officer.

Evidence-based standards for determining "likelihood of confusion" are imperative, lest courts and administrative agencies succumb to ad hoc reasoning and this Court promulgate essentially pro hac vice decisions without coherent and consistent precedents to guide the bench and bar:

....

In this case, there is insufficient factual basis to justify the conclusion that a likelihood of confusion had arisen, such that the relevant market for petitioner and respondent's goods have been misled into buying the other's products due to the packaging or marks used.

According to respondent, it had discovered that petitioner's CEEGEEFER products were sold alongside its own

CHERIFER products beside or near each other in drugstores in Metro Manila and Valenzuela. However, it does not appear to have proffered evidence in the trial court that the alleged target market for CEEGEEFER — "mothers, fathers and people with small children" — had actually or likely mistaken one product from another.

Thus, respondent had not shown that the introduction of CEEGEEFER products in the brand name and packaging complained of had adversely affected the sales of CHERIFER products. It has not even shown that goodwill had been built up on the CHERIFER brand — which it claims to have been "ahead in the market for more than 10 years" — to such an extent that CEEGEEFER would have consciously emulated the brand name and packaging to benefit from it.[25] (Emphasis supplied, citations omitted)

In *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*, [26] my separate concurring opinion emphasized the need for improved standards for determining the likelihood of confusion, given the highly subjective methods courts have often used:[27]

While the ponencia has laudably sought to bring jurisprudential stability through the unequivocal abandonment of the holistic test, I urge this Court to also seriously refine the existing standards for determining the likelihood of confusion of goods and business. Admittedly, likelihood of confusion is highly fact-specific based on the circumstances of each case. Yet, considering the advances in the fields of competition and economics, this Court should improve the standards by which likelihood of confusion is measured.

Evaluations of likelihood of confusion cannot be left to the subjective determination by the Intellectual Property Office or the courts, which may often rely on ad hoc inferences of similarity in class, physical attributes or descriptive properties, purpose, or points of sale of the goods or services. Often, this Court has resorted to unsubstantiated assumptions and generalizations about consumers and their behavior, arbitrary categorizations of goods and services, and even outright derogatory classist stereotypes. In this case, the ponencia describes a distinction between "sophisticated" and "ordinary" buyers without any real basis for the respective consumption and commercial habits assigned to each sector, resulting in broad caricatures about both the goods covered by the marks and their markets.[28] (Emphasis supplied, citations omitted)

To obviate subjectivity in the process of determining likelihood of confusion, the separate opinion referenced evidentiary standards in the Rules of Procedure for Intellectual Property Rights Cases and discussed the mechanisms for their application:

Rule 18, Section 5 of A.M. No. 10-3-10-SC, or the 2020 Revised Rules of Procedure for Intellectual Property Rights Cases, enumerates several factors to be considered as evidence of likelihood of confusion in trademark and unfair competition cases:

SECTION 5. Likelihood of confusion in other cases. — In determining whether one trademark is confusingly similar to or is a colorable imitation of another, the court must consider the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade, and giving the attention such purchasers usually give in buying that class of goods. Visual, aural, connotative comparisons and overall impressions engendered by the marks in controversy as they are encountered in the realities of the marketplace must be taken into account. Where there are both similarities and differences in the marks, these must be weighed against one another to determine which predominates. In determining likelihood of confusion between marks used on nonidentical goods or services, several factors may be taken into account, such as, but not limited to:

- a) the strength of plaintiff's mark;
- b) the degree of similarity between the plaintiff's and the defendant's marks;
- c) the proximity of the products or services;
- d) the likelihood that the plaintiff will bridge the gap;
- e) evidence of actual confusion;
- f) the defendant's good faith in adopting the mark;
- g) the quality of defendant's product or service; and/or

h) the sophistication of the buyer. "Colorable imitation" denotes such a close or ingenious imitation as to be calculated to deceive ordinary persons, or such a resemblance to the original as to deceive an ordinary purchaser giving such attention as a purchaser usually gives, as to cause him or her to purchase the one supposing it to be the other.

Absolute certainty of confusion or even actual confusion is not required to accord protection to trademarks already registered with the IPO.

Among other pieces of evidence, these factors must be proven by testimonies of witnesses stringently qualified to show their knowledge, skill, experience, or training on the subject matter of their testimony; or by the presentation of scientific surveys, conducted with the appropriate methodology and with the proper sampling and scope, of the relevant market or trade conditions, as stated in Rule 18, Section 9 of the 2020 Revised Rules of Procedure for Intellectual Property Rights Cases:

SECTION 9. Market Survey. — A market survey is a scientific market or consumer survey which a party may offer in evidence to prove (a) the primary significance of a mark to the relevant public, including its distinctiveness, its descriptive or generic status, its strength or well-known status and/or (b) likelihood of confusion.

Admittedly, market-based evidence on likelihood of confusion may be more difficult to obtain if one of the marks is still undergoing the registration process and has not yet actually been introduced to the public. However, Section 147 of the Intellectual Property Code may guide oppositors who assert their ownership of registered marks. If the mark applied for is found identical to the registered mark and the use is for identical goods or services, the oppositor has in their favor a presumption of likelihood of confusion. The applicant then bears the burden of overcoming the presumption by sufficient evidence.

In other instances — such as similar signs for similar goods or services; identical signs for similar goods or services; or similar signs for identical goods or services — the likelihood of confusion must be proved with evidence by owner of the registered mark. One such instance is the present case, where the Bureau of Legal Affairs evaluated e-mails from Kolin Electronics Co., Inc.'s customers asking about Kolin Philippines International, Inc.'s goods, implying confusion of origin or their respective items for sale. As for "any person" not an owner of a registered mark, the damage must be proven in other ways — what that contemplates is outside the scope of this case.[29] (Emphasis supplied, citations omitted)

Here, the ponencia affirmed the Court of Appeals' findings, which likewise affirmed the Philippine Intellectual Property Office's administrative determinations. In ruling this way, this Court adopted the same subjective appreciation of likelihood of confusion, which relies solely on the examining officer's perspective on the marks' resemblance "in appearance and overall impression"[30] without real market context.

I understand the ponencia's position and concur with the need to uphold judicial respect for the expertise and specialized knowledge possessed by the agencies whose findings are under review.[31] However, I respectfully submit that such expertise should be reflected in a deliberate appreciation of empirical and objective facts. While judicial respect for administrative expertise may suffice for purposes of legal analysis, more can and should be done to clarify the basis of such decisions for the benefit of the parties affected. Thus, a finding that a mark poses a likelihood of confusion with another should, at the very least, have empirical or scientific basis, such as "testimonies of 'stringently qualified' witnesses, or market surveys,"[32] which employ methods that ensure objectivity in their conclusions.

In *Secretary of the Department of Public Works and Highways v. Spouses Tecson*,[33] a separate opinion noted the importance of broadening the Judiciary's capacity to resolve cases by adopting scientific tools and approaches

in issues involving multidisciplinary, specialized, or technical matters:

The use of economics, or any other discipline, in aid of judicial decisions does not violate the judicial temperament. Economics can be a tool for this court to approximate the constitutional ideal of "just compensation." Judge Richard A. Posner recommends that:

we need a new style of judicial opinion writing (really a return to an older style), in which formalistic crutches — such as the canons of statutory construction and the pretense of deterministic precedent — exaggerate the autonomous elements in legal reasoning are replaced by a more candid engagement with the realistic premises of decision. Judicial decisionmaking must also become more receptive to the insights of social science. Lawyers and judges must overcome the prevalent (and disgraceful) mathblock that afflicts the legal profession.[34] (Emphasis supplied, citations omitted)

Deepening the scope of judicial analysis by recognizing the need for scientific, technical, and cross-sectoral tools strengthens the Judiciary's ability to fulfill its duty to resolve disputes and to give meaning to fundamental rights. Legal issues continue to grow in breadth and complexity, and the Judiciary must keep pace with these changes in pursuit of its constitutional duty and purpose. Emphasizing the Judiciary's ability to adopt available scientific tools, such as surveys and technical analyses—not only in determining the possibility of confusion in trademark cases but also in other cases of similar technical complexity—serves only to enhance the development of "coherent and consistent precedents." [35]

I further recognize the ponencia's adoption of our colleague Associate Justice Alfredo Benjamin Caguioa's position that substantial evidence on likelihood of confusion is not required when an applicant applies for trademark registration with the Philippine Intellectual Property Office.[36] In fact, it appears that current procedures for trademark registration provide no opportunity for the applicant to present evidence on likelihood of confusion, despite this being a primary consideration in determining a mark's registrability. Thus, the standard that "the onus to present substantial evidence to prove the likelihood of confusion only arises when private parties are involved other than the applicant themselves"[37] would apply only in adversarial settings between private parties asserting their rights to their respective marks. However, as discussed above, non-adversarial proceedings may similarly require a finding on likelihood of confusion between competing marks. Thus, I humbly submit that even non-adversarial proceedings that determine likelihood of confusion between trademarks may also benefit from including scientific and empirical bases in their conclusions.

I join the ponencia in its pursuit of a more discerning and responsive Judiciary, capable of undertaking objective and empirical analysis of complex legal issues. In offering this opinion, I urge the continued development of rules, processes, and precedents that will allow for more objective grounding for findings on likelihood of confusion in trademarks.

ACCORDINGLY, I vote to DENY the Petition.

[1] Ponencia, p. 15, citing *Innolab Industries, Inc. v. Unilab Laboratories, Inc.*, G.R. No. 257075, August 5, 2025 [Per J. Kho, Jr., En Banc] at 15-16. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

[2] Ponencia, p. 2.

[3] *Id.* at 2-3.

[4] *Id.* at 3.

[5] *Id.*

[6] Id. at 3-4.

[7] Id. at 4.

[8] Id.

[9] Id.

[10] Id.

[11] Id. at 4-5.

[12] Rebecca Tushnet, Registering Disagreement: Registration in Modern American Trademark Law, 130 HARV. L. REV. 867, 873-874 (2016).

[13] Robert G. Bone, Taking the Confusion Out of "Likelihood of Confusion": Toward a More Sensible Approach to Trademark Infringement, 106 NW. U. L. REV. 1307, 1308-1309 (2012).

[14] 845 Phil. 85 (2018) [Per J. Gesmundo, Third Division].

[15] Id. at 98.

[16] J. Leonen, Separate Concurring Opinion in Asia Pacific International Holdings, Ltd. v. Paperone Inc., 845 Phil. 85, 102-108 (2018) [Per J. Gesmundo, Third Division].

[17] Id. at 103-104.

[18] 120 Phil. 434 (1964) [Per J. Paredes, En Banc].

[19] J. Leonen, Concurring Opinion in Asia Pacific International Holdings, Ltd v. Paperone, Inc., 845 Phil. 85, 106-107 (2018) [Per J. Gesmundo, Third Division].

[20] Id.

[21] 886 Phil. 916 (2020) [Per J. Carandang, Third Division].

[22] Id. at 934.

[23] Id. at 933-935.

[24] J. Leonen, Dissenting Opinion in Prosel Pharmaceuticals & Distributors, Inc. v. Tynor Drug House, Inc., 886 Phil. 916, 936-952 (2020) [Per J. Carandang, Third Division].

[25] Id. at 949-951.

[26] 896 Phil. 190 (2021) [Per J. Caguioa, En Banc].

[27] J. Leonen, Separate Concurring Opinion in Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc., 896 Phil. 190, 263-300 (2021) [Per J. Caguioa, En Banc].

[28] Id. at 293-294.

[29] Id. at 296-299.

[30] Ponencia, p. 3.

[31] Medina v. Global Quest Ventures, Inc., 896 Phil. 47, 64 (2021) [Per J. Leonen, Third Division].

[32] Ponencia, p. 15, citing Innolab Industries, Inc. v. Unilab Laboratories, Inc., G.R. No. 257075, August 5, 2025

[Per J. Kho, Jr., En Banc] at 15-16. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

[33] 758 Phil. 604 (2015) [Per J. Peralta, En Banc].

[34] J. Leonen, Dissenting Opinion in Secretary of the Department for Public Works and Highways v. Spouses Tecson, 758 Phil. 604, 711 (2015) [Per J. Peralta, En Banc].

[35] J. Leonen, Dissenting Opinion in Prosel Pharmaceuticals & Distributors, Inc. v. Tynor Drug House, Inc., 886 Phil. 916, 949 (2020) [Per J. Carandang, Third Division].

[36] Ponencia, p. 16.

[37] Id.

CONCURRING OPINION CAGUIOA, J.:

This Petition stems from a trademark application filed by petitioner Autophil Zone Sales Corporation (Autophil) for the registration of its "FUJI METAL STYLIZED" mark.[1]

The trademark examiner issued a Registrability Report denying Authophil's application because of its likelihood of confusion with other marks registered to two different persons/entities, Terrence Santos (Santos) and Leo Tire Manufacturing Corporation (Leo Tire).[2] The ponencia summarizes the details of the relevant marks in the table below:

[Autophil]

[Leo Tire]

[Santos]

Marks

(Image supposed to be here)

(Image supposed to be here)

(Image supposed to be here)

Application No.

4/2017/013013

4/2016/00005166

4/2011/00009078

Filing Date

August 14, 2017

May 12, 2016

March 18, 2014

Current Status

Denied registration due to likelihood of confusion

Registered

Registered

Class Covered

12

12

7

Goods Covered

Automotive parts and fittings, namely leaf spring, U-bolt and radiator, pinion ring gear and crank shaft

Motorcycle, bicycle, and automobile tires and interior

Wiper linkage, wiper motor, transmission filters, collar and lock rings, flywheel ring gears, main drive retainer assembly, main shaft assembly, synchronizer assembly, counter gear assembly, counter gear shaft, counter gear pilot bearing, counter gear thrust washer, doorlock, timing belt, timing belt idler bearing, timing belt idler bearing with bracket assembly, timing chain tensioner, timing drive gear, oil seal, timing cover for seal, transmission oil seal, differential oil seal, wheel hub oil seal, crankshaft oil seal, wheel oil seal, injection pump nozzle tip, oil pump assembly, oil pump drive gear, oil cooler, oil pump (crankcase), drain plug, overhaul full set gasket, valve (grind set) gasket, valve cover gasket, intake manifold gasket, exhaust manifold gasket, manifold gasket, timing cover gasket, exhaust pipe gasket, oil pan (crankcase) gasket, oil filter, fuel filter, air filter, filter for cars and trucks.[3]

The trademark examiner eventually issued a Refusal on the ground that the registration of Autophil's mark would cause likelihood of confusion, explaining that it resembled the registered marks of Santos and Leo Tire[4] and it covered goods that were related to the goods already covered by said marks.[5] Such finding of the existence of likelihood of confusion was then upheld by the Director of the Bureau of Trademarks, the Office of the Director General (ODG) of the Intellectual Property Office of the Philippines (IPOPHL), and the Court of Appeals (CA).[6]

I concur in the ponencia affirming the CA Decision. I file this Concurring Opinion only to clarify some of the confusion arising from the deliberations of this case.

Recent jurisprudence underscoring the need for substantial evidence to prove likelihood of confusion does not apply here.

In the recent case of *Innolab Industries, Inc. v. United Laboratories, Inc.*, [7] the Court ruled against an opposer for failing to present substantial evidence to prove its claim of likelihood of confusion.

This case presents a different factual and temporal template.

This is a matter involving a trademark examiner's assessment of a trademark application when it is filed—this is not a case similar to *Innolab* which involves two private entities protecting their rights in an adversarial proceeding. In this regard, the requirement of presenting substantial evidence in order to justify a finding of

likelihood of confusion cannot apply here because of several reasons.

First, in evaluating trademark applications, the IPOPHL acts as a specialized regulatory body tasked and empowered to protect the buying public from being deceived or confused on what products to purchase. The trademark examiner is not a private entity who is interested in protecting or asserting private rights.

The Intellectual Property Code^[8] provides that the IPOPHL is empowered to "[e]xamine applications for the registration of marks."^[9] Under the law, one of the main responsibilities of the Bureau of Trademarks of the IPOPHL is the "[s]earch and examination of the applications for the registration of marks."^[10] This examination process is expressly outlined in the Intellectual Property Code, viz.:

SECTION 133. Examination and Publication. – 133.1. Once the application meets the filing requirements of Section 127, the Office shall examine whether the application meets the requirements of Section 124 and the mark as defined in Section 121 is registrable under Section 123.

133.2. Where the Office finds that the conditions referred to in Subsection 133.1 are fulfilled, it shall, upon payment of the prescribed fee, forthwith cause the application, as filed, to be published in the prescribed manner.

133.3. If after the examination, the applicant is not entitled to registration for any reason, the Office shall advise the applicant thereof and the reasons therefor. The applicant shall have a period of four (4) months in which to reply or amend his application, which shall then be re-examined. The Regulations shall determine the procedure for the re-examination or revival of an application as well as the appeal to the Director of Trademarks from any final action by the Examiner. (Emphasis supplied)

Too, the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers of 2023 Replacing the Revised Trademark Regulations of 2017^[11] expressly state that the trademark examiners have original jurisdiction over the examination of trademark applications and are empowered to make a final finding that a mark is not registrable.^[12]

As stated in Section 133.1 of the Intellectual Property Code, one of the main duties of the trademark examiner is to determine whether the mark is registrable under Section 123, which states, among others, that marks causing likelihood of confusion cannot be registered.^[13] Refusals at the application stage under the grounds^[14] in Section 123.1 do not require examiners to provide substantial evidence. Instead, the rules only require the examiner to explain^[15] why the mark is being refused to help the applicant overcome such reasons for refusal.

At the trademark application stage, the IPOPHL can review the mark subject of the application, compare it to existing registered marks based on relevant jurisprudential principles and guidelines, and make a finding of whether there is indeed likelihood of confusion. At this stage, the IPOPHL will essentially conduct desk research by comparing the application to other existing marks to see whether they resemble each other and whether the goods and/or services are related. To require substantial evidence would be absurd: the same examiner will have to submit evidence to himself or herself, as the examiner has the original jurisdiction over the examination of trademark applications, and will eventually make a finding on whether the mark is not registrable due to likelihood of confusion. It is akin to having a judge implead himself or herself as a party-litigant to formally offer evidence for his or her own decision.

Second, if the Court were to require trademark examiners to present substantial evidence to justify their finding of likelihood of confusion, this imposition will effectively require them to assert the trademark rights of private entities (i.e., registered owners or first-to-file applicants of trademarks found to be confusingly similar by the examiner), who may or may not want to assert their trademark rights. There is no legal basis to require this, and it is highly irregular for the IPOPHL, a supposedly impartial regulatory body, to assert the-rights of private parties.

Additionally, the IPOPHL does not have the means or resources to gather and present evidence showing that private parties would be damaged because of the existence of likelihood of confusion.

Third, there are several grounds for refusing registrations under Section 123.1 of the Intellectual Property Code, and it would be absurd if the Court were to require that the examiner provide substantial evidence only if the refusal is based on Section 123.1(d), or because the registration would cause likelihood of confusion.

Fourth, if the Court were to require trademark examiners to provide substantial evidence to justify their finding of likelihood of confusion lest such finding be summarily overturned, this would effectively remove the IPOPHL's regulatory power to disallow at the trademark examination stage the registration of marks that would cause likelihood of confusion. This would mean that applications for the registration of confusingly similar marks would inevitably proceed to publication because the IPO would only be able to issue toothless and ineffectual refusals against them. In effect, the Court would be creating a presumption of registrability (or at least a presumption of no likelihood of confusion) for all trademark registrations that the IPOPHL must overcome, which, again, does not have any legal basis.

In view of the foregoing reasons, it is well to emphasize that the recent jurisprudence underscoring the need for substantial evidence to prove likelihood of confusion cannot apply here.

Trademark examiners already have objective standards for determining likelihood of confusion.

To be sure, it would be improper for evaluations of likelihood of confusion to be left to the subjective determination by the IPOPHL or the courts. Thus, in evaluating whether trademark refusals due to the likelihood of confusion are warranted, the courts must assess whether the findings of the trademark examiner follow prevailing jurisprudential pronouncements and the provided guidelines for trademark examination.

The guidelines on the determination of likelihood of confusion are not only extensively discussed in jurisprudence but also well-documented in the IPOPHL website itself, which readily links to the ASEAN Common Guidelines for the Substantive Examination of Trademarks[16] (Common Guidelines). For ease of reference, a summary of the relevant guidelines for finding likelihood of confusion are included in the table below:

Philippine jurisprudence

Common Guidelines

How to find likelihood of confusion

In determining likelihood of confusion — which can manifest in the form of "confusion of goods" and/or "confusion of business" — several factors may be taken into account, such as:

- a) the strength of plaintiff's mark;
- b) the degree of similarity between the plaintiff's and the defendant's marks;
- c) the proximity of the products or services;
- d) the likelihood that the plaintiff will bridge the gap;
- e) evidence of actual confusion;

- f) the defendant's good faith in adopting the mark;
- g) the quality of defendant's product or service; and/or
- h) the sophistication of the buyers.

These criteria may be collectively referred to as the multifactor test. Out of these criteria, there are two which are uniformly deemed significant under the Trademark Law and the IP Code: the resemblance of marks (the degree of similarity between the plaintiff's and the defendant's marks) and the relatedness of goods or services (the proximity of products or services). Nevertheless, the other factors also contribute to the finding of likelihood of confusion.[18] (Emphasis supplied)

[A] determination of 'likelihood of confusion' will often require the examiner's analysis and appreciation of the circumstances involved in the case. Although this will involve a degree of subjectivity, the use of standard examination criteria will make the conclusions more predictable.

A likelihood of confusion should only be found after a global assessment of all the factors and circumstances that are relevant in each particular case. Those factors are linked and interdependent, and include:

- o
the similarity of the goods or services involved,
- o
the similarity of the signs in conflict,
- o
the relevant public and consumers
- o
other relevant factors.[17] (Emphasis supplied)

How to determine resemblance or the similarity of the marks

Use the Dominancy Test, which entails comparing the similarity of the dominant features of the marks (i.e., visual, aural, connotative similarity, whenever applicable).[19]

One way to determine the dominant feature is to determine "the first word/figure that catches the eyes."[20]

As applied here, the dominant feature of Autophil's mark is "FUJI" which is visually and aurally similar to the dominant features of the marks of Santos and Leo Tire (i.e., the word "FUJI"). Clearly, Autophil's mark resembles earlier registrations.

2.2.2.2.1 Visual comparison

....

- (2) In case of a conflict between a pure word mark and a mixed word sign (i.e. a word presented in special

characters, typeface, font or colour, or combined with a figurative element), the word element will normally be noticed and memorized more easily because consumers will tend to first read the words in the mark whenever possible.

Visual similarity will depend on whether the letters in the respective words of the marks are in the same position, and also on the strength of any special visual features, style of the letters or figurative elements of the mark. If the figurative elements or special characters are not strong enough to impress a difference between the two signs, the identity or similarity of the words would prevail.

. . . .

2.2.2.2.2 Phonetic comparison

(1) A phonetic comparison of visually-perceptible signs may only be performed between signs that contain one or more word elements that can be read and pronounced. Such comparison is possible even if the word elements also contain a figurative element or use special characters, typeface, font or colour."[21] (Emphasis supplied)

As applied here, the first word of Autophil's mark is "FUJI" which is also the same word as the marks of Santos and Leo Tire. Clearly Autophil's mark is visually and aurally similar to the marks of Santos and Leo Tire.

How to determine relatedness of goods

In resolving whether goods are related, several factors come into play:

(a)

the business (and its location) to which the goods belong

(b)

the class of product to which the goods belong

[Note: this factor has already been removed by virtue of *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*]

(c)

the product's quality, quantity, or size, including the nature of the package, wrapper or container

(d)

the nature and cost of the articles

(e)

the descriptive properties, physical attributes or essential characteristics with reference to their form, composition,

texture or quality

(f)

the purpose of the goods

(g)

whether the article is bought for immediate consumption, that is, day-to-day household items

(h)

the fields of manufacture

(i)

the conditions under which the article is usually purchased and

(j)

the channels of trade through which the goods flow, how they are distributed, marketed, displayed and sold.[22]

As applied here, the goods covered by Autophil's mark are related to the goods covered by the marks of Leo Tire and Santos because the businesses to which the goods belong, the nature of the goods, the purpose, the fact that the goods are not consumable, as well as channels of trade, among others, are similar given that they all involve automotive parts.

Factors that should be taken into account to establish similarity of goods and services include the following, among others:

- nature of the goods and services,
- intended purpose and method of use,
- complementarity,
- competition,
- distribution channels,
- relevant public and consumers,
- the origin, producer or provider of the goods or services.[23]

As applied here, the goods covered by Autophil's mark are clearly related to the goods covered by the marks of Leo Tire and Santos, considering the nature of the goods and the intended purpose of the goods, the distribution channels, and the target market consumers are similar for automotive parts.

As explained in the IPOPHL website: "[t]he standards in the Common Guidelines serve as a reference to guide

and focus the practices of the ASEAN IP Offices, with a view to achieving common criteria and standards in the short term." [24] In other words, for the purpose of substantive examination of trademarks at the application stage, the Common Guidelines are already an objective set of standards that examiners can base their findings on. Moreover, these standards are more or less consistent with the jurisprudential principles adopted in this jurisdiction. Based on these parameters, therefore, trademark examiners can already make a determination that the registration of a mark cannot be allowed because it would cause likelihood of confusion—as the examiner did in this case—and they are expressly empowered to do so under the Intellectual Property Code and the relevant rules of the IPOPHL.

In view of the foregoing, I vote to DENY the Petition.

[1] See ponencia, p. 2.

[2] See *id.*

[3] *Id.* at 10-12.

[4] *Id.* at 2.

[5] See *id.* at 3.

[6] See *id.* at 3-4.

[7] G.R. No. 257075, August 5, 2025 [Per J. Kho, Jr., En Banc].

[8] Republic Act No. 8293 (1997), An Act Prescribing the Intellectual Property Code and Establishing the Intellectual Property Office, Providing for its Powers and Functions, and for Other Purposes, otherwise known as the "Intellectual Property Code of the Philippines".

[9] *Id.*, sec. 5.1(b).

[10] *Id.*, sec. 9.1.

[11] IPOPHL Memorandum Circular No. 2023-001, Series of 2023, available at <https://www.ipophil.gov.ph/intellectual-property-code-implementing-rules-and-regulations/>.

[12] IPOPHL Memorandum Circular No. 2023-001, Series of 2023, Part 6 states:

Part 6

PROCEEDINGS IN THE EXAMINATION OF AN APPLICATION FOR REGISTRATION

....

RULE 602. Jurisdiction of the Examiner. – The Examiners shall have original jurisdiction over the examination of all applications for registration and over their allowance for publication in the IPOPHL eGazette for purposes of opposition. Their decision, when final, shall be subject to petition and appeal to the Director.

RULE 603. Examination of the Application; Action by the Examiner. — If, after the examination, the application is found not to be registrable for any reason, the applicant will be advised of the reason/s therefor and will be given such information and references as may be helpful in the further prosecution of the application.

....

RULE 609. Final Action. – On any subsequent re-examination or reconsideration, the Examiner may state that the refusal of the registration or the submission of or compliance with any requirement/s is final. Thus, the applicant's recourse is limited to an appeal to the Director or to compliance with the requirement/s made by the

Examiner.

[13] SECTION 123. Registrability. – 123.1. A mark cannot be registered if it:

....

(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[.]

[14] INTELL. PROP. CODE, sec. 123 states:

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

(a)

Consists of immoral, deceptive or scandalous matter, or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt or disrepute;

(b)

Consists of the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or of any foreign nation, or any simulation thereof;

(c)

Consists of a name, portrait or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the Philippines, during the life of his widow, if any, except by written consent of the widow;

(d)

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

(i)

The same goods or services, or

(ii)

Closely related goods or services, or

(iii)

If it nearly resembles such a mark as to be likely to deceive or cause confusion;

(e)

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

(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: Provided, further, That the interests of 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;

(h)

Consists exclusively of signs that are generic for the goods or services that they seek to identify;

(i)

Consists exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practice;

(j)

Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services;

(k)

Consists of shapes that may be necessitated by technical factors or by the nature of the goods themselves or factors that affect their intrinsic value;

(l)

Consists of color alone, unless defined by a given form; or

(m)

Is contrary to public order or morality. (Emphasis supplied)

[15] IPOPHL Memorandum Circular No. 2023-001, Series of 2023, Rule 603 states:

RULE 603. Examination of the Application; Action by the Examiner. – If, after the examination, the application is found not to be registrable for any reason, the applicant will be advised of the reason/s therefor and will be given such information and references as may be helpful in the further prosecution of the application. (Emphasis supplied)

[16] <https://www.ipophil.gov.ph/trademark/examination-guidelines/>.

[17] ASEAN Common Guidelines for the Substantive Examination of Trademarks, Part 2, Relative Grounds for the Refusal of Registration of Trademarks, p. 11.

[18] Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc., 896 Phil. 190, 215-216 (2021) [Per J. Caguioa, En Banc].

[19] Id. at 221.

[20] UFC Philippines, Inc. v. Barrio Fiesta Manufacturing Corp., 778 Phil. 763, 803 (2016) [Per J. Leonardo-De Castro, First Division].

[21] ASEAN Common Guidelines for the Substantive Examination of Trademarks, Part 2, Relative Grounds for the Refusal of Registration of Trademarks, pp. 14-17.

[22] Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc., supra note 18, at 224-225.

[23] ASEAN Common Guidelines for the Substantive Examination of Trademarks, Part 2, Relative Grounds for the Refusal of Registration of Trademarks, p. 32.

[24] <https://www.ipophil.gov.ph/trademark/examination-guidelines/>.

SEPARATE CONCURRING OPINION

HERNANDO, J.:

Petitioner Autophil Zone Sales Corporation (Autophil) filed an application to register its proposed FUJI METAL STYLIZED trademark before the Intellectual Property Office (IPO). The Trademark Examiner issued a Refusal,[1] ruling that Autophil's FUJI METAL STYLIZED cannot be registered because it resembles the mark FUJI as utilized in three earlier approved trademarks. The respondent Director of the Bureau of Trademarks,[2] the IPO Director General,[3] and the Court of Appeals[4] affirmed the Trademark Examiner's Refusal.

The ponencia recommends rejecting Autophil's registration of the mark FUJI METAL STYLIZED as its business trademark. Applying the Dominancy Test, the ponencia holds that the said mark is confusingly similar to the previously registered marks of Terence Santos (Santos) and Leo Tire Manufacturing Corporation (Leo Tire).[5] In view of the lack of any distinct visual and aural differences of the marks upon the application of the Dominancy Test, and the clear relatedness of the item covered by the subject marks, the ponencia finds no reason to depart from respondent's findings and reject the registration of Autophil's mark.[6]

I concur.

The quantum of proof required in administrative proceedings such as the registration of trademarks is substantial evidence. Substantial evidence is that evidence which a reasonable mind might accept as adequate to support a conclusion.

In affirming the Trademark Examiner's Refusal to register Autophil's FUJI METAL STYLIZED, the Director of the Bureau of Trademarks, the IPO Director General, and the Court of Appeals conducted a side-by-side facial examination of the said mark with three previously registered marks: the FUJI mark under the name of Santos; another FUJI mark under the name of Leo Tire; and a third FUJI mark under the name of Philippine Belt Manufacturing Corporation.

I reproduce the table in the ponencia but with some additions and narrowing it down to the points of differences

that I deem essential:

Petitioner

Leo Tire Manufacturing Corporation

Terence Santos

Philippine Belt Manufacturing Corporation

Marks (Image supposed to be here) (Image supposed to be here) (Image supposed to be here) (Image supposed to be here)

Filing Date

August 14, 2017

May 12, 2016

March 18, 2014

June 2, 2016

Class(es) Covered

12

12

7, 9, 12

7

Goods Covered

Automotive parts and fittings, namely leaf spring, U-bolt and radiator, pinion ring gear and crank shaft

Motorcycle, bicycle, and automobile tires and interior

Class 7: Wiper linkage, wiper motor, transmission filters, collar and lock rings, flywheel ring gears, main drive retainer assembly, main shaft assembly, synchronizer assembly, counter gear assembly, counter gear shaft, counter gear pilot bearing, counter gear thrust washer, doorlock, timing belt, timing belt idler bearing, timing belt idler bearing with bracket assembly, timing chain tensioner, timing drive gear, oil seal, timing cover for seal, transmission oil seal, differential oil seal, wheel hub oil seal, crankshaft oil seal, wheel oil seal, injection pump nozzle tip, oil pump assembly, oil pump drive gear, oil cooler, oil pump (crankcase), drain plug, overhaul full set gasket, valve (grind set) gasket, valve cover gasket, intake manifold gasket, exhaust manifold gasket, manifold gasket, timing cover gasket, exhaust pipe gasket, oil pan (crankcase) gasket, oil filter fuel filter, air filter, filter for cars and trucks

Class 9: Fuses, battery and battery cable, switches, sensor switches and senders, gauges, flashers, electrical relays, speedometers, and tachometer cables

Class 12: Tire rod ends, ball joints, rack ends, tie rod bars, pitman arms idler arms, centerlinks, shaft kits, suspension inner shaft kit suspension pivot pin kit, suspension torqued rod arms assembly, bell cranks, side rods, drag links, suspension arms, steering accelerator linkage, steering center arm (relay) assembly, steering center arm (relay) repair kit, steering center arm (relay) bushing, steering center post kit, steering knuckle assembly, steering

joint coupling assembly, steering joint coupling assembly with shaft, steering bearing with cap assembly, steering worm shaft, steering worm shaft nut, steering sector assembly, synchronizer hub, synchronizer dutch hub, counter shaft gear assembly, main drive pilot bearing, main drive gear, main drive retainer assembly, main shaft assembly, synchronizer assembly counter gear assembly, counter gear shaft, counter gear pilot bearing, counter gear thrust washer, reverse and idler gear, reverse and idler gear shaft, steering level gear assembly, timing gear crankshaft (sprocket), transmission support, engine mounts, brake handbrake cables, windshield glass, door glass, door handle, tire valve, tire (with flap and inner tube), tire tube, wheel drive shaft (front axle) assembly, wheel drive shaft boots kit, wheel hub bolt, wheel nut, magwheel lug nut, wheel rim, wheel rim lock, wheel rim plate, wheel hub assembly, magwheel rim assembly, tire wrench, I-wrench, cross wrench, spare tire carrier, steering gear box power steering gear box, propeller shaft, axle shaft

V-belts

This side-by-side facial examination suffices for the Court to affirm the denial of Autophil's trademark registration. Evidently, all marks bear the same dominant FUJI feature, the goods they cover are closely related, and the purpose of their goods all pertain to the functionality of vehicles. As the Director of the Bureau of Trademarks noted,[7] the four marks nearly resemble each other in appearance, sound, and overall impression. They inspire easy visual recall by the consumers because of the distinctiveness of FUJI without need for further reference to the font styles or the addition of the word "METAL" to Autophil's mark.

As regards Autophil's argument that the IPO had allowed the registration of numerous marks similarly bearing the word FUJI but had somehow singled Autophil out in disapproving its FUJI METAL STYLIZED mark, the IPO Director General ruled that each application must be assessed on its own merits, which should not rest on that of the other marks already registered. Considering Section 123, paragraph 1(d)[8] of Republic Act No. 8293, or the Intellectual Property Code, FUJI METAL STYLIZED will likely cause confusion and thus cannot be registered.[9] At this point, it bears to stress that findings of fact of the highly technical agency — the IPO — which has the expertise in this field, should be given great weight.[10]

ACCORDINGLY, I vote to DENY the petition for lack of merit.

[1] Rollo, p. 99. The July 11, 2019 Refusal was penned by Trademark Examiner Ana Maida J. Zamora, Bureau of Trademarks, Intellectual Property Office (IPO).

[2] Id. at 174-177. The December 16, 2020 Decision was penned by Director Leny B. Raz, Bureau of Trademarks, IPO.

[3] Id. at 297-302. The December 13, 2022 Decision was penned by Director General Rowel S. Barba, IPO.

[4] Id. at 65-86. The November 13, 2023 Decision was penned by Associate Justice Rex Bernardo L. Pascual and concurred in by Associate Justices Gabriel T. Robeniol and Tita Marilyn B. Payoyo-Villordon, Special Ninth Division, Court of Appeals, Manila.

[5] Ponencia, p. 10.

[6] Id. at 17.

[7] Rollo, p. 176.

[8] Section 123. Registrability. - 123.1. A mark cannot be registered if it:

....

(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;

[9] Rollo, p. 302.

[10] See *UFC Philippines, Inc. v. Barrio Fiesta Manufacturing Corp.*, 778 Phil. 763, 791 (2016) [Per J. Leonardo-De Castro, First Division].

CONCURRENCE

LAZARO-JAVIER, J.:

The ponencia finds the denial of petitioner Autophil Zone Sales Corporation (Autophil)'s registration of the mark "FUJI METAL STYLIZED" proper.[1] Using the multi-factor test, as well as an examination of the resemblance of marks and the relatedness of goods shows that Autophil's mark is likely to cause confusion.[2]

It agreed with respondent Director of the Bureau of Trademarks (Director) that Autophil's mark "FUJI METAL STYLIZED" is confusingly similar to marks previously registered by Terrence Santos (Santos) and Leo Tire Manufacturing Corporation (Leo Tire). The word "FUJI" is the prevalent feature of Autophil's trademark application and resembles the marks previously registered by Santos and Leo Tire, thus satisfying the Dominancy Test.[3] Notably, there is "no perceptible difference in terms of appearance, sound, connotation, or overall impression." [4] Neither does Autophil's usage of the word "metal" avert confusion since it is a non-registrable generic and descriptive word.[5] Lastly, the goods covered by Autophil's mark and the marks of Santos and Leo Tire are related for they all involve automotive parts, among others.[6]

I concur in full.

First. Respondent Director and the Intellectual Property Office of the Philippines (IPOPHL) are, by reason of their special knowledge and expertise, in a better position to pass upon the registrability of a trademark.[7] As such, their findings are entitled to great weight and respect. More so here, when the Examiner, the Director, the Office of the Director General of the IPOPHL, and the Court of Appeals[8] all concurrently found that Autophil's trademark registration should be denied. Indeed, Autophil has not adduced any cogent reason for the Court to depart from their uniform findings.

Second. The ponencia correctly applied the Dominancy Test and reiterated the abandonment of Holistic Test ordained in *Kolin Electronics Co., Inc. v. Kolin Philippines International, Inc.*[9] and its companion cases. By explicitly incorporating the Dominancy Test into the Intellectual Property Code (IPC), the Legislature has chosen which method should be employed in this jurisdiction. In this regard, it should be recalled that the power of Legislature is plenary[10] and is limited only by the test of reasonableness.[11] Thus, the IPC, as a later law that

does not contravene established jurisprudence, may clarify which method should be employed, to the exclusion of all others. Too, Autophil has not shown that the Dominancy Test is unreasonable or that it is inapplicable in this case.

Last, Autophil claims "that the word 'FUJI' was diluted" because the IPOPHL has granted various trademark registrations which incorporate the word "FUJI".^[12] Thus, its trademark application must be treated similarly.^[13] However, Autophil fails to recognize that its trademark registration cannot be treated in the same way as the trademark registrations of Santos and Leo Tire were. Consider: (a) when Santos and Leo Tire registered, it does not appear that other trademark registrations bearing the word "FUJI" were already approved by IPOPHL; and (b) the marks of Santos and Leo Tire, although bearing the word "FUJI," have some differences in their designs.^[14] Autophil cannot assert that its mark should be put on equal footing with those of Santos and Leo Tire precisely because the circumstances surrounding Autophil's trademark registration are palpably different.

In all, the denial of Autophil's trademark application is proper.

[1] Ponencia, pp. 2 and 5.

[2] *Id.* at 7-12.

[3] *Id.* at 2 and 10.

[4] *Id.* at 12.

[5] *Id.*, citing *Societe Des Produits, Nestle, S.A. v. Puregold Price Club, Inc.*, 817 Phil. 1030, 1047 (2017) [Per acting Chief Justice Carpio, Second Division].

[6] *Id.* at 13-14.

[7] *Zulueta v. Cyma Greek Taverna*, 934 Phil. 34, 39 (2023) [Per J. Kho, Jr., Second Division].

[8] Ponencia, pp. 2-3.

[9] 896 Phil. 190 (2021) [Per J. Caguioa, En Banc].

[10] *Cruz v. Pandacan Hiker's Club, Inc.*, 776 Phil. 336 (2016) [Per J. Peralta, Third Division].

[11] *Mirasol v. Department of Public Works and Highways*, 523 Phil. 713 (2006) [En Banc].

[12] Ponencia, pp. 2 and 4.

[13] *Id.* at 4.

[14] *Id.* at 10.

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