

Republic of the Philippines
SUPREME COURT
Manila
EN BANC

G.R. No. L-26557 February 18, 1970

AMERICAN WIRE & CABLE COMPANY, petitioner,

vs.

DIRECTOR OF PATENTS and CENTRAL BANAHAW INDUSTRIES, respondents.

Sotero H. Laurel and Florencio Z. Sioson for petitioner.

Celso P. Mariano for respondents.

REYES, J.B.L., J.:

Appeal filed by the American Wire & Cable Company, owner of the registered trademark DURAFLEX for electric wires, questioning the correctness of the decision of the Director of Patents (in Inter Partes Case No. 290) holding that the label DYNAFLEX and Device for electric wires, sought to be registered by the Central Banahaw Industries, Inc., is not similar to herein appellant's patented mark.

On 2 June 1962, Central Banahaw Industries, Inc., applied with the Director of Patents for registration of the trademark DYNAFLEX and Device to be used in connection with electric wires, class 20, which mark applicant allegedly had been using since 29 March 1962. The American Wire and Cable Co., Inc., another domestic corporation and authorized user since 10 April 1958 of the registered trade mark DURAFLEX and Globe representation, for electric wires, apparatus, machines and supplies, class 20, opposed the application on the ground that applicant's use of the trade mark DYNAFLEX would cause confusion or result in mistake to purchasers intending to buy DURAFLEX electric wires and goods, the mark being registered allegedly having practically the same spelling, pronunciation and sound, and covering the same good, as that of the opposer. Besides, opposer contended that there has been no continuous use in commerce of the applicant's mark.

After due hearing, the Director of Patents rendered decision holding the applicant's mark DYNAFLEX not to be similar to the previously registered trademark DURAFLEX. Consequently, the application of Central Banahaw Industries for registration of DYNAFLEX was given due course and the opposition thereto by American Wire & Cable Company dismissed. The latter interposed the present appeal.

The issue to be resolved in this proceeding is simple: whether or not the mark DYNAFLEX and Device is registrable as label for electric wires, class 20, considering that the trademark DURAFLEX and Globe representation also for electric wires, machines and supplies under class 20, has been registered more than 4 years earlier.

In ruling in favor of the herein application, the Director of Patents said:

... The applicant's trademark is a composite mark consisting of the word DYNAFLEX printed in small letters of the English alphabet except that letter "D" is capitalized, within a fanciful device, on top of which is the encircled initials, in downward sequence, of the Respondent's corporate name, and jutting out on two sides of the circle are bolts of lightning, symbolic of electricity.

On the other hand, Opposer's trademark is DURAFLEX in Capitalized print, except that one cross piece of the letter X is in the form of a bolt of lightning. The word slants slightly upward, traversing the center of a figure of the earth or globe.

Resorting now to the semantics of the words, it is clear that both marks are suffixed by the word FLEX. The word appears in any dictionary having as common meaning "to bend." In Webster's International Dictionary, it is used by the British on electric cord. However, one mark (Respondent's) is prefixed with DYNA suggesting power. It is not in itself a rootword but it has been commonly associated with any source of power. At most, it could have been derived from the Greek word "Dynamis" and, generally, the root words commonly derived therefrom are "dynam" and "dynamo". The other (Opposer's) is prefixed with DURA, suggesting durability, strength and endurance.

Based on the foregoing comparisons, the trademarks of the parties are different in appearance, meaning, sound and connotation and hence, are not confusingly similar.

The pertinent law, Republic Act 166, as amended, on registrability of trademarks, prescribes:

SEC. 4. — The owner of a trademark, trade name or service-mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same, unless it:

xxx xxx xxx

(d) Consists of or comprises a mark or trade name which so resembles a mark or trade-name registered in the Philippines by another and not abandoned, as *to be likely*, when applied to or used in connection with the goods, business or services of the applicant, *to cause confusion or mistake or to deceive purchasers*.
(Emphasis supplied)

It is clear from the above-quoted provision that the determinative factor in a contest involving registration of trade mark is not whether the challenged mark would *actually* cause confusion or deception of the purchasers but whether the use of such mark would *likely* cause confusion or mistake on the part of the buying public. In short, to constitute an infringement of an existing trademark patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.

The question is, when is a trademark likely to confuse or cause the public to mistake one for another? Earlier rulings of the Court seem to indicate its reliance on the *dominancy* test or the assessment of the essential or *dominant* features in the competing labels to determine whether they are confusingly similar.¹ On this matter, the Court said:

It has been consistently held that the question of infringement of a trademark is to be determined by the test of *dominancy*. Similarity in size, form, and color, while relevant, is not conclusive. If the competing trademark contains the main or essential or *dominant* features of another, and confusion and deception is likely to result, infringement takes place. Duplication or imitation is not necessary, nor is it necessary that the infringing label should suggest an effort to imitate (C. Neilman Brewing Co. vs. Independent Brewing Co., 191 F. 489, 495, citing Eagle White Lead Co. vs. Pflugh [CC] 180 Fed. 579). The question at issue in cases of infringement of trademarks is whether the use of the marks involved would be likely to cause confusion or mistakes in the mind of the public or deceive

purchasers." (Go Tiong vs. Director of Patents, 95 Phil. 1, cited in Lim Hoa vs. Director of Patents, 100 Phil. 214).²

In fact, even their similarity in sound is taken into consideration, where the marks refer to merchandise of the same descriptive properties, for the reason that trade *idem sonans* constitutes a violation of trade mark patents.³ Thus, in the case of *Marvex Commercial Co. vs. Hawpia & Co.*,⁴ the registration of the trademark "Lionpas" for medicated plaster was denied for being confusingly similar in sound with "Salonpas", a registered mark also for medicated plaster, the Court saying:

Two letters of "SALONPAS" are missing in "LIONPAS" the first letter *a* and the letter *s*. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of special significance (Co Tiong Sa vs. Director of Patents, 95 Phil. 1, citing Nims, *The Law of Unfair Competition and Trademarks*, 4th ed., vol. 2, pp. 678-679). "The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of help of our eyes and must depend entirely on the ear (Operators, Inc. vs. Director of Patents, *supra*.)

Along the same line are the rulings denying registration of a mark containing the picture of a fish (Bañgus), as label for soy sauce, for being similar to another registered brand of soy sauce that bears the picture of the fish carp;⁵ or that of the mark bearing the picture of two roosters with the word "Bantam", as label for food seasoning (vetsin), which would confuse the purchasers of the same article bearing the registered mark "Hen Brand" that features the picture of a hen.⁶

The present case is governed by the principles laid down in the preceding cases. The similarity between the competing trademarks, DURAFLEX and DYNAFLEX, is apparent. Not only are the initial letters and the last half of the appellations identical, but the difference exists only in two out of the eight literal elements of the designations. Coupled with the fact that both marks cover insulated flexible wires under class 20; that both products are contained in boxes of the same material, color, shape and size; that the dominant elements of the front designs are a red circle and a diagonal zigzag commonly related to a spark or flash of electricity; that the back of both boxes show similar circles of broken lines with arrows at the center pointing outward, with the identical legend "Cut Out Ring" "Draw From Inside Circle", no difficulty is experienced in reaching the conclusion that there is a deceptive similarity that would lead the purchaser to confuse one product with the other.

The Director of Patents has predicated his decision mostly on the semantic difference and connotation of the prefixes "Dura" and "Dyna" of the competing trademarks, unfortunately forgetting that the buyers are less concerned with the etymology of the words as with their sound and the dominant features of the design.

Of course, as pointed out in the decision now on appeal there are some differences in the mark on the front portion of the box. But they pale into insignificance in view of the close resemblance in the general appearance of the box and the tradenames of the articles. Indeed, measured against the dominant-feature standard, applicant's mark must be disallowed. For, undeniably, the dominant and essential feature of the article is the trademark itself. Unlike in the case of commodities that are ordinarily picked up by the purchaser himself from the grocery or market counters, electric wires are purchased not by their appearance but by the size (voltage) and length and, most importantly, by brand. It is even within layman's knowledge that different brands of wire have different characteristics and properties; and for an essential building item as electric wires and supplies, the owner of the building would not dare risk his property, perhaps his life, on an unknown or untested brand. He would only demand for what is recognized to be the best.

Relying on the doctrine enunciated in the Etepha case⁷ and the earlier ruling in *Lim Hoa vs. Director of Patents*,⁸ applicant-appellee contends that the DYNAFLEX mark would not confuse or deceive the buyers and subscribers of the DURAFLEX brand, because electrical wires are of

great value and the purchasers thereof are generally intelligent — the architects, engineers and building contractors. It must be realized, however, that except perhaps in big constructions, the designing architect or engineer, or the contractor who will undertake the work of building, does not himself purchase or place the order for the purchase of the materials to be used therein. The task is oftentimes delegated to another. Nor are said technical men the ones personally laying down the wiring system in the building that they could possibly check on whether or not the correct wires are being used. So that even if the engineer or contractor will specify in the bill of materials the particular brand of wires needed, there is no certainty that the desired product will be acquired. For, unlike the pharmacists or druggists, the dispensers of hardware or electrical supplies are not generally known to pay as much concern to the brand of articles asked for by the customer and of a person who knows the name of the brand but is not acquainted with its appearance, the likelihood of the DYNAFLEX product being mistaken for DURAFLEX is not remote.

Of course, as in all other cases of colorable imitations, the unanswered riddle is why, of the millions of terms and combinations of letters and designs available, the appellee had to choose those so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark.

FOR THE FOREGOING CONSIDERATIONS, the decision appealed from is hereby set aside, and the application for registration of the trademark DYNAFLEX for electric wires, class 20, is ordered denied. No costs.

Concepcion, C.J., Dizon, Makalintal, Zaldivar, Sanchez, Castro Fernando, Barredo and Villamor, JJ., concur.

Teehankee, J., took no part.

Footnotes:

1 Parke, Davis & Co. vs. Kui Foo & Co., Ltd., 60 Phil. 928; Sapolin Co., Inc. vs. Balmaceda, 67 Phil. 705.

2 Also Chua Che vs. Phil. Patent Office, L-18337, 30 January 1965, 13 SCRA 60; Operators, Inc. vs. Director of Patents, L-17901, 29 Oct. 1965.

3 Sapolin Co., Inc. vs. Balmaceda, *supra*.

4 L-19297, 22 December 1966, 18 SCRA 1178.

5 Chuanchow Soy & Canning Co. vs. Director, L-13947, 30 June 1960.

6 Lim Hoa vs. Director of Patents, 100 Phil. 214.

7 Etepha A.G. vs. Director of Patents, L-20635, 31 March 1966, 16 S.C.R.A. 495.

8 Lim Hoa vs. Director of Patents, 100 Phil. 214.