

APPLE, INC.,	}	IPC No. 14-2007-00264
Opposer,	}	Case filed: September 10, 2007
	}	
-versus-	}	Opposition to:
	}	Appln. No. 4-2006-009420
	}	Date Filed: August 25, 2006
	}	
	}	
DOPOD CORPORATION,	}	TM: "DOPOD"
Respondent-Applicant.	}	
x-----x	}	Decision No. 2008-241

DECISION

Before us is a Verified Notice of Opposition filed against the application for registration of the mark "DOPOD" used for ultra mobile personal computers (UMPC); PDA: Mobile phone: Telephones; cordless and wireless phones; smart phones, namely phones with capability of transmitting data voice and images and accessing the Internet, sending and receiving faxes and emails; microphones, speakers headsets, antennas, batteries, battery chargers, power supplies, housing or casings or covers, clips carrying cases for mobile telephone, PDAs and computers and carrying cases for accessories; hand held computers; personal communication devices, personal digital assistant devices, personal digital assistants; personal digital assistant devices, personal digital assistants; personal digital assistants containing communication function; portable computers containing wireless email and wireless connecting system to global computer Internet; personal digital assistants containing wireless email and wireless connecting system to global computer Internet; electronic communication appliance and apparatus; personal computers; portable personal computer, global positioning system; GPS Navigation systems under *Class 09* and Digital transmission of voice, data, images, audio, video, signals, messages and information; providing multi-user access to electronic communication networks for the transfer and dissemination of a wide range information of general interest to consumers, providing news and information via electronic communication networks; telecommunication service, namely providing wireless telecommunication connections to electronic communications networks; wireless digital messaging; paging services; electronic mail services; electronic bulleting board services; leasing telecommunications equipments, systems and supplies; electronic transmission of electronic data, electronic mail, digital and electronic communications and copyrighted materials in electronic form featuring encryption and decryption; electronic transmission of computer software of others by means of electronic communications networks under *Class 38* of the international classification of goods bearing Application Serial No. 4-2006-009420 which was published in the Intellectual Property Office Electronic Gazette on 11 May 2007.

Opposer, APPLE, INC., is a corporation organized and existing under the laws of California, U.S.A., having principal place of business at 1 Infinite Loop, Cupertino, California 95014, U.S.A. On the other hand, respondent-applicant Dopod Corporation, is a corporation organized and existing under the laws of Cayman Islands (British West Indies) with address at PO Box 1787GT, One Capital Place, Georgetown, Grand Cayman, Cayman Island, British West Indies.

Accordingly, the grounds for opposition are as follows:

1. The registration of the mark subject of opposition is contrary to the provisions of Section 123.1 (d), (e) and (f) of Republic Act 8293, as amended.

2. The Opposer is the owner of the mark IPOD, which has been registered in the Opposer's name with the Philippine Intellectual Property Office in various classes under the following trademark registrations:

<u>Mark</u>	<u>Registration No.</u>	<u>Date Registered</u>	<u>Class of Goods</u>
IPOD	4-2001-007465	19 December 2005	28
IPOD	4-2001-0074641	0 March 2006	9 and 38

The Opposer has also registered the IPOD mark with industrial property offices in other countries.

3. The DOPOD mark closely resembles the Opposer's IPOD mark as to be likely to deceive or cause confusion. Hence, the registration of the Respondent-Applicant's mark will be contrary to the provisions of Sections 123.1 (d) of Republic Act No. 8293.

4. Opposer is entitled to the benefits granted to foreign nationals under section 3 of Republic Act 8293.

The Opposer is domiciled in the United States of America. Both the Philippines and the United States of America are members of the Paris Convention for the Protection of Industrial Property.

5. The Opposer's IPOD mark is a well known and world famous mark. Hence, the registration of the Respondent-Applicant's mark will constitute a violation of Article 6bis and 10bis of the Paris Convention in conjunction with Sections 3, 123.1 (e) and 123.1 (f) of Republic Act 8293.

6. The Opposer has used the IPOD mark in the Philippines and elsewhere prior to the filing date of the application subject of this opposition. The Opposer continues to use the IPOD mark in the Philippines and in numerous countries.

7. The Opposer has also extensively promoted the IPOD mark worldwide. Over the years, the Opposer has obtained significant exposure for the goods and services upon which the IPOD mark is used in various media, including television commercials, outdoor advertisements, internationally well-known print publications, and other promotional activities.

8. The Opposer has not consented to the Respondent-Applicant's use and registration of the word DOPOD or any other mark identical or similar to the Opposer's IPOD mark.

9. The use by the Respondent-Applicant of the DOPOD mark in connection with goods and services in classes 9 and 38 will mislead the public into believing that the Respondent-Applicant services, as well as the goods that are sold by it, are operated, produced by, originate from, or are under the sponsorship of the Opposer. Potential damage the Opposer will also be caused as a result of its inability to control the quality of the products and the services offered or put on the market by the Respondent-Applicant under the DOPOD mark.

10. The use by the Respondent-Applicant of the DOPOD mark in relation to its goods and services, whether or not identical, similar or closely to the Opposer's goods or services will take unfair advantage of dilute and diminish the distinctive character or reputation of the Opposer's IPOD mark.

11. The denial of the application subject of this opposition is authorized under other provisions of Republic Act 8293.

Together with the Verified Notice of Opposition (Exhibit "A"), Opposer submitted the following evidence:

Exhibits	Description
"B" to "B-4"	Affidavit of Ms. Genevieve S. Burch and its attachments
"C"	Certified True Copy of Philippine Certificate of Registration No. 4-2001-007464
"D"	Certified True Copy of Philippine Certificate of Registration No. 4-2001-007465
"E"	Copy of the Certification on the Authority of Quisumbing Torres to verify the Notice of Opposition and to Represent the Opposer

On September 21, 2007, this Bureau issued a Notice to Answer. After filing three (3) motions for extension, Respondent-Applicant filed its Verified Answer on January 21, 2008 stating the following Special Affirmative Defenses:

1. Visual comparison of both marks readily reveals their clear and obvious distinctions. IPOD and DOPOD are more than sufficiently differentiated by the use of the "I" in IPOD and the prefix "DO" in DOPOD.

2. The marks are also aurally and phonetically dissimilar. When pronounced, the emphasis is naturally on the first syllable. Opposer's mark is pronounced as EYE-POD which is very different from Respondent-Applicant's mark which is pronounced as DO-POD. Consumers typically recognize first syllables as more dominant feature in trademark, at least more than the last syllables.

3. As used in commerce, Opposer's IPOD mark commonly appears as "iPod". The lower case "i" is the prominent portion of the mark.

4. Visually, the lower case "i" stands out as it appears differently from the rest of the mark iPod. Phonetically and aurally, emphasis is on the lower case "i"

5. Indeed, Opposer's goods and services which are intended to complement the iPod product are similarly preceded with the letter "i". For example, iTunes is a website from where an iPod user can download music and video and upload these to his iPod. iStore is a website that sells iPod and accessories. iCandy is a silicone with acrylic case for 3rd generation iPod Nano products.

6. It is therefore highly unlikely for consumers to mistake IPOD for DOPOD given the extensive and prominent use of the lower case "i".

7. As for Respondent-Applicant's mark, the DOPOD word mark typically appears with the five circle mark.

8. As used in commerce, the mark DOPOD combined with the distinctive elements above, the distinction from Opposer's "iPod" mark abundantly and sufficiently clear and will avoid any confusion.

9. Respondent-Applicant asserts that confusing similarity should be measured by how the marks are actually used and appear in the market place, given the fundamental principle in trademark law that trademarks are for protection of consumers who should be able to distinguish between trademarks in the market place. As the marks also appear very differently in the market place, confusion is highly unlikely.

10. Respondent-Applicant has extensively promoted and sold the DOPOD branded product as their own and intends to do so in the Philippines, consistent with the fundamental trademark principles that a trademark, like Respondent-Applicant's DOPOD, is a badge of origin. Clearly, there is no way for consumers to make a connection or association between Respondent-Applicant's DOPOD mark and Opposer's iPod. More importantly, Respondent-Applicant has not received any complaints or reports of consumer confusion and the Opposer has not offered any evidence of confusion among the consumers.

11. The mark DOPOD is coined and invented term that is unique to the Respondent-Applicant and is distinctive for Respondent-Applicant's goods and services.

12. Opposer uses the IPOD mark on its iPod portable media player, which is its core product in Class 09.

13. Respondent-Applicant principally uses the DOPOD mark in other countries in its core product, the PDS which is a handheld or portable computer with a wide range of uses including sending and receiving emails, video recording, word processing and Global Positioning System, (GPS) and Smartphone in Class 09.

14. Opposer's iPod branded portable media player and Respondent-Applicant's DOPOD branded PDA and Smartphone are very distinct from each other.

15. By their nature, these products are intended for different market segments. While Opposer's iPod portable media player is intended for a broad market segment, from teenagers to adults for entertainment purposes, Respondent-Applicant's PDA or Smartphone is typically marketed to and purchased by professionals and busy entrepreneurs. Where these market segments may overlap, specifically with respect to professionals and busy entrepreneurs, it is reasonable to assume that professionals and busy entrepreneurs are able to distinguish between the iPod branded portable media player and a DOPOD branded PDA.

16. Therefore, aside from the obvious distinction in the mark themselves, confusion is rendered more remote and highly unlikely given the distinct nature of the goods.

17. It bears to note that the brand of the Opposer's own Smartphone type is iPhone and not IPOD.

18. With respect to Respondent-Applicant's Class 38 application for DOPOD, the services are primarily intended to complement Respondent-Applicant's PDA and Smartphone products.

19. As far as Respondent-Applicant is aware, Opposer is not using its IPOD mark in Class 38. There can therefore be no confusion among consumers

and Opposer has not shown how the IPOD mark is being used in relation to the services in Class 38, if at all, and how confusion can result among consumers.

20. With respect to Opposer's IPOD Trademark No. 4-2001-007465, Respondent-Applicant notes that this registration is in Class 28 for games and playthings, namely, electronic games, hand-held electronic games and apparatus.

21. These goods themselves fall under distinct classes and by their nature are very distinct from the Respondent-Applicant's goods in Class 09 and services in Class 38.

22. Furthermore, Opposer has not demonstrated how the IPOD mark is used in this class, if at all, and how confusion can result among consumers.

23. Finally, this opposition is part of a global dispute between the parties and a decision favorable to Respondent-Applicant has been rendered verbally in Saudi Arabia. However, the written decision is still to be issued by the court in Saudi Arabia.

In support of its defenses, Respondent-Applicant submitted the following evidence:

Exhibits	Description
"2"	Notarized and authenticated Affidavit of Timothy Chen
"3"	Copies of the documents showing the use and launching of the DOPOD mark and the invoice paid in the advertisement
"4"	Sample advertisement in China
"5"	Details of advertising expenses for DOPOD products in China from 2002 to 2004
"6"	Details of cost for marketing and promotion of DOPOD products in 2005
"7"	Details of the models and numbers of unit sold from 2002-2005
"8"	Copies of receipts for advertising fees spent and sample advertisements in Taiwan for 2004
"9"	Copies of receipts for advertising fees spent and sample advertisements in Taiwan for 2005
"10"	Copies of receipts for advertising fees spent and sample advertisements in Taiwan for 2006
"11"	Sample advertisement in Taiwan between September 2004 to January 2006
"12"	Copies of news article or product introductions of DOPOD in Taiwan newspapers and magazines between December 2005 to January 2006
"13"	Compact disc containing the video media advertisement done in 2006
"14"	Copies of receipts for advertising fees and samples in Hong Kong in 2005
"15"	Copies of photos for Dopod 383Pro launch in Hong Kong
"16"	Copies of advertisements and use for Dopod

	products in Indonesia, Malaysia and Singapore from October 2005 to 2006
"17"	Copies of press coverage Indonesia, Malaysia and Singapore from October 2005 to January 2006
"18"	Copy of the Special Power of Attorney

On February 22, 2008, Opposer filed its Reply. Respondent-Applicant filed its Rejoinder on 17 March 2008. A Notice of Preliminary Conference was issued by this Bureau and served to the parties. After resetting the initial preliminary conference, the same was terminated on 07 May 2008 for failure of the parties to come up with a compromise agreement. Subsequently, Order No. 2008-759 was issued directing the parties to submit Position Paper. Opposer filed its Position Paper on 02 June 2008 while Respondent-Applicant filed its Position Paper on June 27, 2008. Hence, this decision.

The sole issue to be resolved in this case is: WHETHER OR NOT RESPONDENT-APPLICANT'S MARK DOPOD SHOULD BE REGISTERED.

To determine the registrability of a mark, Republic Act No. 8293, as amended particularly Section 123.1 (d) thereof provides:

"SEC. 123.1 *Registrability.* – 123.1 A mark cannot be registered if it:

x x x x

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

- i. The same goods or services, or
- ii. Closely related goods or services, or
- iii. If it nearly resembles such a mark as to be likely to deceive or cause confusion;"

Opposer relying on the above-quoted provision posits that Respondent-Applicant's DOPOD mark is confusingly similar to Opposer's IPOD mark. According to Opposer, both marks share the same suffix "POD" rendering the competing marks visually, phonetically and aurally similar which is sufficient to give rise to likelihood of confusion. Opposer also argues that the DOPOD mark is used to identify goods and services that are covered by Opposer's registration of the IPOD mark. Factors such as prices and market segments should bear little weight in determining whether the IPOD and DOPOD marks are confusingly similar. Opposer also contended that the protection granted to Opposer extends to all products within the zone of the potential expansion of its business.

To counter Opposer's arguments, Respondent-Applicant asseverates that its DOPOD mark is not confusingly similar to Opposer's IPOD mark. The IPOD mark is typically presented in commerce in the form wherein all the letters of the mark are in small letters except for the letter "P" such that visually, the lower case "i" stands out whereas the mark DOPOD begins with the letter "D" followed by the letter "O". Respondent-Applicant also contends that in its extensive promotion of the product in China, Taiwan, Hong Kong, Indonesia, Malaysia and Singapore, it did not associate itself with Opposer. In addition, Respondent-Applicant argues that the contending goods are not the same, so that the likelihood of confusion in the market is non-existent as their product caters to different market.


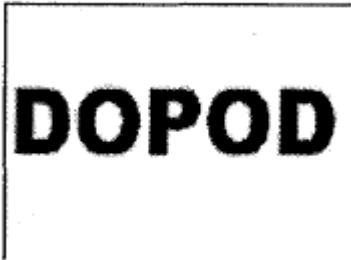
The determinative factor in a contest involving registration of trademark is not whether the challenged mark would actually confusion or deception of the purchasers but whether the use of the mark would likely cause confusion or mistake on the part of the buying public. The law does not require that the competing marks must be so identical as to produce actual error or

mistake. It would be sufficient that the similarity between the two marks is such that there is possibility of the older brand mistaking the newer brand for it.

Colorable imitation does not mean such similitude as amounts to identity. Nor does it require that all the details be literally copied. Colorable imitation refers to such similarity in form, content, words, sound, meaning, special arrangement, or general appearance of the trademark or trade name with that of the other mark or trade name in their over-all presentation or in their essential, substantive and distinctive parts as would likely mislead or confuse persons in the ordinary course of purchasing the genuine article.

It has been consistently held that the question of infringement of 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 question that the infringing label should suggest an effort to imitate. 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. 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 the trade idem sonans constitutes a violation of trade mark patents.

In order for his Bureau to intelligently determine whether the herein subject mark is confusingly similar to Opposer's IPOD mark, a side by side comparison is necessary. The contending marks in the instant case are shown below:

Opposer's mark	Respondent-Applicant's Mark
	

As can be clearly observed from the above competing marks, it is evident that by comparison of the spelling, sound and pronunciation of the two words, it is our considered view that the trademarks "IPOD" and "DOPOD" are confusingly similar in sound. The letters "DO" in the mark "DOPOD" cannot be found in Opposer's "IPOD" mark, nevertheless, the marks of the parties have the same suffix "POD" such that when they are pronounced the marks are confusingly similar in sounds.

In the case of MARVEX COMMERCIAL CO. INC. vs. PETRA HAWPIA & CO., and THE DIRECTOR OF PATENTS, the Supreme Court considered the principle of idem sonans, thus:

"Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when they 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. I, 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 the help of our eyes and must depend entirely on the ear" (Operators, Inc. vs. Director of Patents, supra).

The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, Unfair Competition and Trade Marks, 1947, Vol. 1, will reinforce our view that "SALONPAS" and "LIONPAS" are confusingly similar in sound: "Gold Dust" and "Gold Drop"; "Jantzen" and "Jass-Sea"; "Silver Flash" and "Supper Flash"; "Cascarete and Celbroite"; "Celluloid and Cellonite"; "Chartreuse" and "Charseurs"; "Cutex" and "Cuticlean"; "Hebe" and "Meje"; "Kotex" and "Femetex"; "Zuso" and "Hoo Hoo". Leon Amdur, in his book "Trade-Mark Law and Practice", pp.419-421, cites, as coming within the purview of the idem sonans rule, "Yusea" and "U-C-A", "Steinway Pianos" and "Steinberg Pianos", and "Seven-Up" and "Lemon-Up". In *Co Tiong vs. Director of Patents*, this Court unequivocally said that "Celdura" and "Cordura" are confusingly similar in sound; this Court held in *Sapolin Co. vs. Balmaceda*, 67 Phil. 795 that the name "Lusolin" is an infringement of the trademark "Sapolin", as the sound of the two names is almost the same.

In the case at bar, "SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties (see *Celanese Corporation of America vs. E. I. Du Pont*, 154 F. 2d. 146, 148)."

In the case at bar, since Respondent-Applicant's mark is confusingly similar in sound to Opposer's registered mark, such similarity is adequate enough to disallow the registration of the herein subject mark.

Anent Respondent-Applicant's argument that the mark DOPOD should be registered even if the marks are confusingly similar as the goods involved are not related, we find the same to be unmeritorious.

It must be emphasized that there are two types of confusion, the first is the "confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other." . . . The other is the confusion of business: "Here though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff, and the public would then be deceived either into that belief or into the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist. In cases of confusion of business or origin, the question that usually arises is whether the respective goods or services of the senior user and the junior user are so related as to likely cause confusion of business or origin, and thereby render the trademark or trade names confusing similar. Thus, it is inevitable for us to determine whether the goods of the parties are related.

In the often-cited case of *ESSO STANDARD EASTER, INC. vs. COURT OF APPEALS*, the Supreme Court held that:

"Goods are related when they belong to the same class or have the same class or descriptive properties; when they possess the same physical attributes or essential characters with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or sold in grocery store. Thus, biscuits were held related to milk because they are both food products. Soap and perfume, lipstick and nail polish are similarly related because they are common household items nowadays. The trademark "Ang Tibay" for shoes and slippers and pants were disallowed to be sued for shirts and pants because they belong to the same general class of goods. Soap and pomade, although non-competitive, were held to be similar or to belong to the same class, since both are toilet articles."

As borne out by the records of this case, Respondent-Applicant is seeking the registration of the mark DOPOD for use on goods falling under Classes 09 and 38, the same

classes of goods in which Opposer has registration for the mark IPOD. As such, the goods of the parties are related and competing as they belong to the same classes of goods and they flow through the same channels of trade, i.e., they are sold and traded in electronic shops or even in appliance center where electronic gadgets are also being offered and sold. As correctly observed by Opposer, the very same products and services covered by Opposer's registration for IPOD are listed in Respondent-Applicant's application for DOPOD. Thus:

a. Opposer's registration for IPOD covers "computers" and "handheld computers" while Respondent-Applicant has applied to use DOPOD in connection with "ultra mobile personal computers" and "handheld computers";

b. Opposer's registration for IPOD covers "personal digital assistants" while Respondent-Applicant has applied to use DOPOD in connection with "PDA", "personal digital assistant devices" and "personal digital assistants"; and

c. Opposer's registration for IPOD covers "telephones" and "electronic handheld devices for wireless receipt and/or transmission of data" while Respondent-Applicant has applied to use DOPOD in connection with "mobile phone", "telephones", "cordless and wireless phones" and "smart phones".

Being so, the similarity in the mark and the relatedness of the goods will lead to a confusion of source, as prospective customers would be misled into thinking that the Opposer has extended its business into the field using the confusingly similar mark.

WHEREFORE, premises considered, the Notice of Verified Opposition filed by Opposer, APPLE, INC. against Respondent-Applicant's DOPOD mark is, as it is hereby SUSTAINED. Consequently, the trademark application for the registration of the mark DOPOD used for Ultra mobile personal computers (UMPC); PDA: Mobile phone: Telephones; cordless and wireless phones; smart phones, namely phones with capability of transmitting data voice and images and accessing the Internet, sending and receiving faxes and emails; microphones, speakers headsets, antennas, batteries, battery chargers, power supplies, housing or casings or covers, clips carrying cases for mobile telephone, PDAs and computers and carrying cases for accessories; hand held computers; personal communication devices, personal digital assistant devices, personal digital assistants; personal digital assistant devices, personal digital assistants; personal digital assistants containing communication function; portable computers containing wireless email and wireless connecting system to global computer Internet; personal digital assistants containing wireless email and wireless connecting system to global computer Internet; electronic communication appliance and apparatus; personal computers; portable personal computer, global positioning system; GPS Navigation systems under *Class 09* and Digital transmission of voice, data, images, audio, video, signals, messages and information; providing multi-user access to electronic communication networks for the transfer and dissemination of a wide range information of general interest to consumers, providing news and information via electronic communication networks; telecommunication service, namely providing wireless telecommunication connections to electronic communications networks; wireless digital messaging; paging services; electronic mail services; electronic bulleting board services; leasing telecommunications equipments, systems and supplies; electronic transmission of electronic data, electronic mail, digital and electronic communications and copyrighted materials in electronic form featuring encryption and decryption; electronic transmission of computer software of others by means of electronic communications networks under *Class 38* of the international classification of goods bearing Application Serial No. 4-2006-009420 filed by respondent-applicant Dopod corporation, filed on 25 August 2006 is, as it is hereby, REJECTED.

Let the filewrapper of DOPOD be transmitted to the Bureau of Trademarks (BOT) for appropriate action in accordance with this DECISION.

SO ORDERED.

Makati City, 17 December 2008.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs