

CHANEL SARL,

Opposer,

-versus-
015097

WORLD OF WELLNESS FRANCHISE
SYSTEMS INC.,

Respondent-Applicant.

X-----X

IPC No. 14-2009-000254

Case Filed: 03 November 2009

Opposition to:

Appln. Serial No. 4-2008-

Date Filed: 16 December 2008

Trademark: "COCOQUEEN"

Decision No. 2011-08

DECISION

CHANEL SARL ("Opposer"), a corporation organized and existing under the laws of Switzerland, with business address at Burgstrasse 26, CH-8750 Glaris, Switzerland, filed on 03 November 2009 an opposition to Trademark Application Serial No. 4-2008-015097. The application, filed by the World of Wellness Franchise Systems, Inc. ("Respondent-Applicant"), with business address at No. 35 Scout Lozano St., Brgy. Laging Handa, Quezon City, covers the mark "COCOQUEEN" for use on "cosmetics, coconut oil, coconut butter, sugar, flour, candies, chips" under Classes 03, 29, 30.

The Opposer alleges the following:

1. Opposer is the registered owner in the Philippines of COCO for perfume and cologne in Class 3 under Registration No. 16026 issued by the IPO. Opposer is likewise the registered owner in the Philippines of Registration No. 54979 for COCO CHANEL and Registration No. 047068 COCO CHANEL OPEN CARTON, both covering 'soaps, perfumery, essential oils, cosmetics, lotions for the hair and dentrifices' in Class 3 (hereinafter collectively referred to as the "COCO Marks").
2. Opposer has been using the COCO Marks in most countries since 1984 and, through long and uninterrupted advertising, the COCO marks have become inextricably link with CHANEL throughout the world and in the Philippines particularly in relation to fragrances and related cosmetic products. COCO was first registered in the Philippines by Opposer in 1970 and has been in used in the Philippines since 1999, long before Respondent –Applicant applied the registration of the mark COCOQUEEN for identical or similar goods on December 16, 2008.
3. Respondent-Applicant's trademark COCOQUEEN wholly incorporates COCO and so resembles Opposer's COCO marks as to be likely when applied to or used in connection with cosmetics, to cause confusion, mistake and deception on the part of purchasing public by misleading them into thinking that Respondent-Applicant goods either come from Opposer or are sponsored or licensed by it.
4. When look at side by side in their entirety, an applied for, COCOQUEEN and COCO create overall similar impression. COCO is unquestionably the first and dominant portion of Respondent Applicant's mark and the word QUEEN does not change or alter the dominant emphasis of COCO or the meaning of the mark in any way.
5. There is nothing in here in the COCOQUEEN mark in the goods listed in Class 3 suggesting that the mark is somehow limited to coconut derive products or is otherwise distinguishable from Opposer's COCO mark.

6. The goods listed in the Respondent-Applicant's COCOQUEEN application is Class 3 (i.e., cosmetics) are identical or closely related to the goods for which Opposer's COCO mark are used and registered. Opposer's COCO and COCO MADEMOISELLE trademarks are used on, inter alia, fragrances, soaps and various cosmetics products such as body lotion, bath and shower gels and fragrance powder.
7. The registration and use by Respondent-Applicant of the trademark COCOQUEEN in relation to cosmetics will diminish the distinctiveness and dilute the goodwill of Opposer's COCO mark. The COCO trademark has been recognized as well known by Courts and Intellectual Property Offices in numerous countries, and, as one of the world's leading women's fragrances for numerous years, there is no question that COCO is exclusively associated with CHANEL for fragrances and related cosmetics products in Class 3.
8. Given the worldwide recognition and prior use of Opposer's COCO Marks in the Philippines, there is no clear reason for Respondent-Applicant to have adopted the COCOQUEEN Mark for cosmetics, other than to trade on the goodwill and worldwide recognition of the COCO marks, thereby misleading the public into believing its identical or similar goods bearing the trademark originate from, or are license or sponsored by Opposer, which has been identified in the trade and by consumers as the exclusive source of fragrances and related products bearing the COCO marks
9. The approval of the Respondent-Applicant's trademark COCOQUEEN is based on the representation that it is the originator, true owner and first user of the trademark, which was merely derived from Opposer's COCO marks.
10. Opposer is the first user of the COCO marks in Philippine Commerce and elsewhere, having utilized the same since at least 1999 in the Philippines. Respondent-Applicant's use of a confusingly similar marks as the brand name for its own related products is likely to cause consumer's confusion as to origin of said goods.
11. Respondent-Applicant's use of the trademark COCOQUEEN infringes upon Opposer's exclusive right to use the COCO marks, which are well known trademark protected under Sec. 147 and 123.1 (d) , (e) and (f) of the Intellectual Property Code (IP Code) , Art. 6 bis of the Paris Convention and Art. 16 of the agreement on trade related aspects of Intellectual Property Rights to which the Philippines and Switzerland adhere.

To support this Opposition, Opposer will prove and rely upon among other facts, the following:

1. Opposer adopted and has been using the COCO marks for fragrance and related cosmetics products for over 20 years throughout the world, long before Respondent Applicant adoption of the confusingly similar trademarks COCOQUEEN. Opposers has been commercially using the COCO mark in the Philippines since at least 1999 long before the filing of the application for the registration of the trademark COCOQUEEN by Respondent-Applicant in the year 2008. Opposers been using COCO MADEMOISELLE trademark since 2001.
2. Opposer is the first user and rightful owner of the COCO marks. Opposers and its affiliated Companies have also used extensively, and registered or applied for the
6. Exh. "F" – Selection of advertisements for Chanel's products;
7. Exh. "G" – Selected court decisions, and

8. Exh. "H" – Selected editorials and press clippings from various publications showing the COCO marks.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 23 November 2009. The Respondent-Applicant, however, did not file an answer. Thus, Rule 2, Sec. 11 of the Regulations on Inter Partes Proceedings, as amended, provides:

Sec. 11. Effect of Failure of to File Answer – In case the respondent fails to file an answer, or if the answer is filed out of time, the case shall be decided on the basis of the petition or opposition, the affidavits of the witnesses and the documentary evidences submitted by the petitioner or opposer.

The issues to be resolved in the instant Opposition case are:

1. Whether or not the Opposer's mark is a well known mark, and;
2. Whether or not the Respondent-Applicant's trademark application should be granted.

On this first issue, Rule 102 of the Trademarks Regulation sets forth the criteria for determining whether a mark is a well-known, to wit;

Rule 102. Criteria for determining a mark is a well-known. In determining whether a mark is well-known, the following criteria or any combination thereof maybe taken into account:

- a. The duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibition, of the goods and/or services to which the mark applies;
- b. The market share in the Philippines and other countries, of the goods and/ or services to which the mark applies;
- c. The degree of the inherent or acquired distinction of the mark;
- d. The quality image or reputation acquired by the mark;
- e. The extent to which the mark has been registered in the world;
- f. The exclusivity of registration attained by the mark in the world;
- g. The extent to which the mark has been used in the world;
- h. The exclusivity of use attained by the mark in the world;
- i. The commercial value attributed to the mark in the world;
- j. The record of successful protection of the rights and the mark;
- k. The outcome of litigation dealing with the issue of whether the mark is a well known mark, and;
- l. The presence or absence of identical marks validly registered for used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well known mark.

This bureau finds that the evidence submitted by the opposer, including but not limited to Philippines and international trademark registrations and court decisions in Taiwan, Thailand, Japan, Greece, Korea declaring Popover's COCO Marks to be well known is sufficient to conclude that the criteria or at least there of as provided and Rule 102 of the Trademark Regulations are met. Hence, the Popover's COCO marks can be considered as well known under the aforementioned rule.

On the second issue, it is emphasized that a trademark must be a visible sign capable of distinguishing the goods or services of an enterprise. The essence of Trademark Registration is to give protection to the owners of Trademark. The function of the trademark is distinctly the origin of ownership of the goods to which it is affects. To secure to him, who has been instrumental in bringing into the market is superior article of merchandise, truth of his industry and skill to assure the public that they are procuring the genuine article, to prevent fraud and importation, and assess product. The main characteristics of a registrable mark is, therefore, its distinctiveness.

Thus, Sec. 123.1 (d) of Rep. Act, No.8293 also known as the intellectual Property Code of the Philippines (IP Code) provider that a mark can not be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or closely related goods or services or it nearly resembles such a mark as to be likely to deceive or cause confusion. Paragraph (e) of Sec, 123.1 also proscribed the registration of a mark if it is:

(e) identical with, or confusingly similar to or constitute a translation of a mark which is considered by the competent authority of the Philippines to be well known internationally 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 the public applied of the mark.

In this regard, what draws the eyes and the ears with respect to the Respondent-Applicants; mark is the word or prefix COCO, COCO comprises the mark covered by Philippines Trademark Registered Number 16026 for use ion perfume and cologne under Class 05, and also a prominent feature of the Opposer's mark, COCOCHANEL, under Philippines dentrifices" also in Class 3 as mentioned above, the Opposer's mark are considered well known with an extensive trademark protection and presence around the world. But would the resemblance of the Respondent-Applicant, marks to the Opposer's, mark likely to cause confusion or deception?

This Bureau noticed the Trademark Application Serial No. 04-2008-015097 covers cosmetics under Class 03, a product or goods which the Opposer deals under the mark of brand COCOCHANEL. Cosmetics is also closely related to perfumes and colognes covered by the Opposers mark or brand COCO, it is likely therefore that a consumers, who wishes to buy cosmetics product and is confronted with the mark COCOQUEEN, well think or assume that the mark or brand is just a variation of or is affiliated with the Opposer's COCO mark.

Accordingly, because the Respondent-Applicant filed its trademark application only in 2008 with the Opposer's COCO, marks and brands well-entrenched in the markets through used and trademarks registrations and protection, the registration of COCO QUEEN for cosmetics under Class 3 prescribed by Sec. 123.1 (Pars. (d) and (e) of the IP Code,

The foregoing notwithstanding, this Bureau no cogent reason to prevent the Respondent-Applicant from registering COCOQUEEN as a trademark for a coconut oil, coconut bottle, sugar, flour, candies, chips, under Classes 29 and 30. The Opposers does not produce or sell this product under its COCO mark or brand. These products are also not similar or closely related to cosmetics. Hence, it is unlikely that consumers will associate Respondent-Applicants

COCOQUEEN mark as used on food products with the Opposers mark and vice versa. Adverse effect in the reputation or goodwill of the Opposer marks therefore, can not be inferred.

WHEREFORE, premises considered, the instant Opposition is SUSTAINED in so far as the Respondent-Applicant used of the mark COCOQUEEN on cosmetics, products is concerned. Accordingly, the opposition is DENIED with respect to the use of the mark on other goods falling under Classes 29 and 30, specifically coconut oil, coconut bottle, sugar, flour, candies, chips. Let the file wrapper of the Trademark Registration No. 4-2008-015097 be returned, together with a copy of this Decision, to the Bureau of Trademark (BOT) for information and appropriate action.

SO ORDERED.

Makati City, 15 February, 2011.