

TOP OIL PRODUCTS CO.,  
Opposer,  
GREEN HILLS HOLDING COMPANY,  
Joint Opposer,

IPC No. 14-2008-00509  
Opposition to:

-versus-

Appln. Serial No. 4-2007-005114  
Date Filed: 22 May 2007  
TM: TOPFORMULA

ROSTAM PHILIPPINES, INC. /  
TANYA ALEXANDER,  
Respondent-Applicant.

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Decision No. 2011-12

## DECISION

TOP OIL PRODUCTS CO. (“Opposer”), a corporation organized and existing under and by virtue of the laws of the United States of America with principal office address at 85! Runway Road, Suite 600, Burlingame, California, filed on 22 May 2007 an opposition to Trademark Application No. 4—2007-0051 i1. The application, filed by ROSTAM PHILIPPINES INC./TANYA ALEXANDER (“Respondent-Applicant”), covers the mark “TOP FORMULA”, for use on goods under Class 14’ : “lubricants, gasoline engine oils”. The application was published in the Trademark Electronic Gazette on 25 July 2008.

The Opposer alleges the following:

“1) TOPFORMULA-Opp and TOPFORMULA-Res are unquestionably similar and almost identical.

1.1 Both marks use the words ‘TOP’ and ‘FORMULA’.

1.2 Aside from the words ‘TOP’ and ‘FORMULA’, TOPFORMULA-Res has no other feature as it is merely a word mark. Respondents did not even attempt to add a word or device in order to give their mark a semblance of distinctiveness.

“2) Both TOPFORMULA-Opp and TOPFORMULA-Res are used on the same and similar classes of goods. TOPFORMULA-Res is applied for registration for goods under Class (.such as lubricants and gasoline engine oil. TOPFORMULA-Opp, with respect to Registration No. 4.6029, is also registered for lubricants and industrial oils. The goods of TOPFORMULA-Res are closely related to the goods under Class 1 for which TOPFORMULA-Opp was registered, with respect to Registration No. 55536.

“3) The similarities in features and sound of the marks will undoubtedly cause confusion and deception in the buying public. It should be noted that, in the goods manufactured/dealt in by Opposer and Respondents, a large segment of the buyers rely on word-of-mouth and endorsement from fellow drivers.

“4) It is undisputed that Opposer was the first to register. It was able to register TOPFORMULA-OPP as early as 16 August 1989 in the Philippines, much earlier than the application by Respondents to register TOPFORMULA-Res on 22 May 2007.

“5) Opposer’s use of TOPFORMULA-Opp is also much earlier than Respondent’s use of TOPFORMULA-Res. Opposer first used the mark on 20 August 1982. In the Philippines, it has used TOPFORMULA-Opp as early as 1984.

“6) The registration of TOPFORMULA-Res is proscribed under Section 125(d) of Republic Act No. 8295 or the Intellectual Property Code of the Philippines (“IPO Code”).

"7) Furthermore, Opposer will be damaged by the confusion and deception of the buying public resulting from the registration and use by Respondents of TOPFORMULA-Res as Opposer has been marketing goods under the nationally and internationally well-known TOPFORMULA-Opp in various outlets in the Philippines for several decades now.

"8) Accordingly, the registration of TOPFORMULA-Res is also proscribed under Sec. 123 (e) and (f) of the IP Code.

"9) Accordingly, it is submitted that the application for registration of TOPFORMULA-Res should be rejected."

On 02 March 2009, the Respondent-Applicant filed its Answer to the opposition alleging the Following:

"1) The Respondent-Applicant respectfully incorporates herein by reference all the preceding allegations in this answer to form integral part hereof.

"2) A careful scrutiny of the verified notice of opposition will show clearly that the same was filed out of time as indicated in the verified notice of opposition dated November 21 2008 itself showing on the first page that it was filed with this Honorable Office at 17:51:41 of November 21, 2008 as stamped pad by this Honorable Office. The time shown in 17:51:41, which in ordinary timing is past 5:30 p.m. already on November 21, 2008 when it was filed when the office hour is clearly up to 5:30 p.m. every business day, which will put in question and render obviously out of time the filing if the verified notice of opposition dated November 21, 2008 as done by the opposer. x x x

"3) The record will show that while the deadline for the filing of the verified notice of opposition by order of this Honorable Office dated November 5, 2008 is November 22, 2008, the record is bereft of any showing that the opposer filed its verified notice of opposition on November 22, 2008, which is the last day for the filing of the verified notice of opposition. Consequently the only truth that will be left out of the records of the instant case is that either the opposer filed its verified notice of opposition out of time or did not file it at all on November 22, 2008, which is the last day for the filing of its verified notice of opposition.

"4) Assuming that the verified notice of opposition was filed within the reglamentary period stated in the order of November 5, 2008, it is undeniable that while opposer claims to have registered its mark under Class 4, its mark so registered is different from that applied for by the respondent-applicant. The label or drawing submitted by the opposer in its application for registration is 'Top Formula 1 AND Design' (not TopFormula—OPP) styled in a manner vastly different from that of the respondent's; not to mention a disclaimer it has made during the processing of its application for registration by this Honorable Office, on account of which, opposer cannot claim any exclusive right over the use of the word 'Formula' appearing in its label and/or mark alleged to have been registered by it with this Honorable Office.

"5) Even the products under Class 4. of the Official Classification of Merchandise for which the trademark allegedly so registered by opposer are so different from the products for which the trademark of respondent-applicant is applied for with this Honorable Office, even if they both fall under Class 4 of Official Classification of Merchandise, it being clearly indicated in the application of the respondent-applicants as adjusted by it, that it is only for gasoline engine oils as appearing in its specification of as hereto attached as Annex '3' and not for industrial oils and grease, motor additives and grease covered by the certificate of registration of opposer as issued by this Honorable Office. A copy of the Certificate of Registration No. 4.6029 specifying the products of opposer under Class 4 is hereto attached as Annex 4'.

“6) Opposer’s opposition of having registered a mark under Class 4. for industrial oil and greases, motor oil additives and grease could not cover all products under said Classification 4, even if others are different in form or substances, as to exclude other manufacturers from registering marks for products also under Class 4 entirely different in form and substance and appearance as shown by the mark itself, aside from the differences in the substance, nature and components of the products themselves covered by the opposing marks cannot be legally tolerated by this Honorable Office under the Intellectual Property Code of the Philippines.

“7) All annexes of the verified notice of opposition from Annexes A to FE and sub-markings are either inadmissible in evidence or lacking in probative worth for any or all of them whether individually or collectively, to be a valid basis for opposing the application for registration of the mark ‘TopFormula’ of herein respondent-applicant in the principal register, all the aforesaid annexes being plain Xerox copies, which are entirely not admissible in evidence, unless the prescription of the Rules of Court in evidence are satisfied in the course of the proceedings in this case.

“8) All the annexes attached to the verified notice of opposition are also inadmissible in evidence or entirely without any probative worth in accordance with the clarifying case of Manufacturers Hanover Trust and Co. and/or Chemical Bank vs. Rafael Ma. Guerrero, G.R. No. 136804 x x x

“9) x x x

“10) The products of respondent-applicant under its trademark ‘Top Formula’ are entirely different from the goods of opposer, if any, for which opposer uses the mark, in form, nature and uses to such extent that opposer’s products cannot be mistaken by the specialized buying public as sourced from respondent-applicant and vice-versa.

“11) The verified notice of opposition is null and void and without any legal effect whatever, whether in substance or in form, if not having attached thereto any certificate of registration or any supporting document admissible in evidence so to sustain the opposition nor has opposer enclosed any of its alleged trademark to show any actual use thereof, ,much less its alleged distinctiveness, popularity or goodwill, to the extent that any alleged likelihood of confusion by the buying specialized public between opposer’s product under its alleged mark and that of respondent—applicant is purely imaginary, non-existing, conjectural or speculative.

“12) Assuming it to be true for the sake of argument that opposer has long been using ‘Top Formula-I and Design’ (not TopFormula-OPP) as its trademark, such use and claim of exclusive right to the trademark can only be limited to products it manufactures or substantially identical to such products, but does not and will never exclude others from using trademark ‘TopFormula’ for separate and distinct products not manufactured by opposer.

“13) The labels and containers of respondent-applicant’s products will show its name and address, so with the opposer, to the extent that all likelihood of confusion by the specialized purchasing public will be eliminated in relation to the Source of respondent-applicant’s and opposer’s products instead of the octopus scope of exclusiveness of trademark ‘Top Formula-I’ and Design’ (not TopFormula-OPP) claimed by opposer to include even products opposer does not deal in.

“14.) On top of everything. from the labels alone the products of opposer under Class of the Classification of Merchandise covered by its alleged trademark and those of respondent’ applicant’s products under its trademark sought to be registered are most unlikely to cause confusion, much less deception on the part of the specialized customers of either opposer or respondent-applicant’s products. The labels of opposer as

shown by its trademark 'Top Formula-1 and Design' being distinct and different from that of 'TopFormula' of respondent-applicant. For one thing, the design of 'Top Formula—1 and Design' is styled in the most impressive, complicated and outstanding manner, while the plain and simple name 'TopFormula' consisting of only one word is the simple trademark of herein respondent-applicant. To better appreciate this vast difference in the name, formulation, style and design of both marks, respondent-applicant is attaching herewith the alleged 'Top Formula-1 and Design' (not TopFormula-OPP) as allegedly registered already and as reflected in alleged Registration No. 46029 in the name of opposer as Annex '5' with the word 'Formula' disclaimed by opposer itself, while respondent applicant's plain and simple 'TopFormula' trademark as indicated in the drawings it submitted to the Honorable Office right at the Start of the filing of its application which is without any further design, device or outstanding style but consisting of one word 'TopFormula' only is hereto attached forming integral part hereof as Annex '6'. True enough, to the naked eye one cannot be mistaken for the other as a mark.

On 16 March 2009, the Opposer filed a REPLY refuting the allegations of the Respondent-Applicant in the Answer. The Opposer asserts that its goods and those covered by the Respondent-Applicant's application are related, serving the same objective and purpose, and with the same client and potential clients. According to the Opposer, present in this case is the degree of similarity in appearance, sound and meaning of the marks; proximity of the relationship between the goods or services of the parties, including the likelihood of expansion of the product or service lines; and degree of care likely to be exercised by purchasers of the goods or services involved. The Opposer also debunks the Respondent-Applicant's allegations that the opposition was filed out of time and that it has no legal personality to file the opposition. The Opposer cites Sec. 134 of the Rep. Act No. 8295, also known as the Intellectual Property Code of the Philippines ("IP Code"), Art. S of the "TRIPS Agreement" and Art. 2 of the "Paris Convention", claims that its mark is a well-known mark, and that the similarity between the competing marks is capable of causing confusion and deception. On the matter of the documentary evidence it submitted, the Opposer contends that the admissibility thereof is a question of law which is to be decided by this Bureau, which is not bound by strict adherence to the technical rules.

The Opposer subsequently filed on 29 April 2009 a MANIFESTATION informing this Bureau that it executed on 01 October 2008 a "Trademark Assignment" covering its registered trademarks in the Philippines (TOP FORMULA 1 46029 and TOP FORMULA 1 55536), to Green Hills Holding Corporation ("Joint Opposer"), and which was already recorded in this office (Intellectual Property Office of the Philippines) Notwithstanding said assignment, the Opposer says that it will still pursue the opposition because under the circumstances, it is still the entity that would be damaged if the Respondent-Applicant's mark is registered.

On the same day the Opposer filed its MANIFESTATION, Green Hills Holding Company filed a MOTION TO BE JOINED AS PARTY-JOINT OPPOSER. The Joint Opposer, a corporation organized and existing under and by virtue of the laws of the State of Nevada, U.S.A., and located at 4135 Latigo Drive, Nevada, invokes its capacity to sue under Sec. 160 in relation to Sec. S of the IP Code, and by virtue of the Trademark Assignment issued in its favour by the Opposer.

The Respondent-Applicant filed on 19 May 2009 a COMMENT AND/OR OPPOSITION TO MANIFESTATION seeking the dismissal of the main opposition case. According to the Respondent-Applicant, the Opposer is no longer the party-in-interest when it assigned its trademarks to another party (Joint Opposer). On the same day, the Respondent-Applicant also filed an opposition to the Joint Opposer's motion alleging that it amounts to an opposition and, thus, was filed beyond the reglementary period to file an opposition. On 01 June 2009, the Joint Opposer filed on 01 June 2009 a REPLY to Respondent-Applicant's COMMENT AND/OR OPPOSITION TO MANIFESTATION, while the Opposer filed an OMNIBUS REPLY to the Joint Opposer's MOTION TO BE JOINED AS PARTY-JOINT OPPOSER and Respondent-Applicant's COMMENT AND/OR OPPOSITION TO MANIFESTATION. The Opposer reiterates that while it

has no objection to the Joint-Opposer's motion, it is still a party-in-interest pursuant to Sec. 134 of the IP Code. On 11 June 2009, the Respondent-Applicant filed separate REJOINDERS to the Opposer's and Joint Opposer's respective submissions.

On 01 September 2009, this Bureau issued an "OMNIBUS ORDER No. 2009-1342", to wit:

"Movant may be joined as party-opposer in this case: An assignment of the mark having been made in its favour by Opposer, it becomes prima facie the registered owner of the mark per Section 138 of the IP Code and, thus, acquired the rights and obligations attendant to being a registered owner of a mark. Further, Opposer may be allowed to remain as party-opposer if it stands either to benefit from the refusal of the subject application or to suffer damages from the grant thereof, whichever may be eventually decided by this Bureau. Though not anymore the registered owner of the 'TOP FORMULA' marks, Opposer makes the following allegations that were not rebutted by Respondent-Applicant: 1) Opposer continues to be involved in the production, advertising, distribution, and sale of the products on which said marks are used; 2) In the Philippines, Opposer continues to be the entity managing and being-in-charge of the business interest relating to the goods on which the registered marks are used; 3) Only the registration of the marks but not Opposer's business in the Philippines has been transferred to Assignee Green Hills Holding Company; 4) Opposer has committed under the Trademark Assignment 'to render all reasonable assistance to Assignee, and will, time-co-time, execute all instruments and documents necessary to maintain, preserve or protect its assigned marks and their registrations which include said two marks'; and 5) Opposer is the user of the aforementioned marks from the outset of the opposition proceedings to the present.

x x x

"The MOTION TO BE JOINED AS PARTY-JOINT OPPOSER is not a new opposition from which the period for filing an opposition as to Movant shall be counted. A reading of said motion would show that it is merely a motion to allow Movant to join Opposer as party-opposer. The arguments therein are all directed towards the prayer that Movant be allowed to join Opposer as party-opposer, and there are neither grounds specified therein on which an opposition should be based nor the facts upon which an opposition is relied. Thus, the opposition filed by Opposer on 21 November stands as the opposition that Movant is deemed to prosecute with Opposer Top Oil Products Co.

Thus, there is no merit in Respondent-Applicant's Motion to DISMISS."

Then after, the preliminary conference was held followed by the parties' submission of their respective position papers.

The issue to be resolved in this case is whether the Respondent-Applicant should be allowed to register the mark TOPFORMULA in its favor

The essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>2</sup> Thus, Sec. 123.1(d), of the IP Code provides that 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;

It is emphasized that an opposition proceeding is in effect a review of the trademark application in question, succinctly, to determine whether the requirements for registrability under the law are complied with. In this regard, this Bureau in deciding an opposition case can and should, as a matter of course, take cognizance, by way of judicial notice, of the contents in the Trademark Registry of the Intellectual Property Office of the Philippines.

Aptly, records show that at the time the Respondent-Applicant filed its trademark application on 22 May 2007, the Opposer already has existing trademark registrations for the mark containing the word TOPFORMULA. The Opposer had obtained trademark registration for the TOPFORMULA-1 (No. 46029) on 16 August 1989 for goods under Class 4 (lubricants and industrial oil), and TOPFORMULA\_1 (No. 55536) on 03 July 1993 for goods under Class I (fluids used with internal combustion engines).

The questions now are: Are the marks identical and used on the same or closely related goods or services or, do they resemble each other that deception or confusion is likely to occur?

There is no doubt that the competing marks are similar or resemble each other. The mark TOPFORMULA applied by the Respondent-Applicant for registration is substantially the same or identical with the Opposer's registered marks. The presence of numerical characters in the Opposer's marks is inconsequential. It stressed that the conclusion (of similarity) created by the use of the same word as the primary element in a trademark is not counteracted by the addition of another term. By analogy, confusion cannot also be avoided by merely dropping, adding or changing one of the letters of a registered mark.<sup>3</sup> Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons. Or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other<sup>4</sup>. The Copycat need not copy the entire mark, but it is enough that he takes one feature which the average buyer is likely to remember.<sup>5</sup>

Considering that the competing marks resemble each other, it is for the consumers to commit mistake, or be deceived or confused. This is because the competing marks are used on related goods or products. They do not only belong to the same class (Class 4), they are also sold or available through the same channels of trade. The likelihood of confusion can be both on the goods or products themselves and on the business. The confusing similarity is likely to give rise to an impression that the Respondent-Applicant, products originate or are sponsored by the Opposer and vice-versa. The public may think that there is a business relationship or connection between the parties, when in fact, there is none. Corollarily, the law does not require actual confusion it being sufficient that confusion is likely to occur.

Accordingly, the Respondent-Applicant's application of the IP Code, and therefore, should not be allowed.

WHEREFORE, premises considered, the instant Opposition is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-007-0051 1.4 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Makati City. 15, February 2011