

BRITISH AMERICAN TOBACCO
(BRANDS) INC.

Opposer,
- versus -

ASSOCIATED ANGLO-AMERICAN,
TOBACCO CORPORATION
Respondent-Applicant.
x-----x

IPC 14-2005-00028

Opposition to:
TM Application No. 4-2002-003885
(Filing Date: 15 May 2002)

TM: "TRENT"

Decision No. 2007 – 69

DECISION

This is an opposition proceeding commenced by BRITISH AMERICAN TOBACCO (BRAND) INC., against Application Serial No. 4-2002-003885 filed on 15 May 2002 by the ASSOCIATED ANGLO-AMERICAN TOBACCO CORPORATION for the registration of the trademark "TRENT" for cigarettes and falling under class 34 of the International Classification of Goods. The application was published for opposition Classification of Goods. The application was published for opposition in Volume VII, No. 8, page 106 of the Official Gazette which was released for circular on 4 November 2004.

Opposer filed its Verified Notice of Opposition on 3 April 2005 and the grounds for opposition are as follows:

1. The registration of the mark subject of this opposition is contrary to provisions of Section 123.1 (d), (e) and (f) of Republic Act No. 8293, as amended, which prohibit the registration of a mark which:

"(d) Is identical with a registered mark belonging to a different proprietor a mark with an earlier filing or priority 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 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 applicant for registration, and used for identical or similar goods or services;

(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 registrations applied for: Provided, That use of the 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 interest of the owner of the registered mark are likely to be damaged by such use."

2. Opposer is the owner of the KENT mark, which has been registered and applied for registration in the Opposer's name with the Intellectual Property Office in

class 34. The following are the particulars of the registration and the application for registration for the KENT mark in the Philippines:

<u>MARK</u>	<u>REGISTRATION NO</u>	<u>DATE REGISTERED</u>
KENT PREMIUM (LABEL)	4-1994-94608	23 JUL 2001
KENT	62401	5 February 1996
<u>MARK</u>	<u>APPLICATION NO.</u>	<u>DATE FILED</u>
KENT SUPER LIGHTS (LABEL)	4-1997-126049	28 October 1997
KENT (LABEL)	4-1999-5582	4 August 1999
KENT	4-2002-3200	19 April 2002
Kent (LABEL)	4-2004-1328	13 February 2004

3. The Respondent-Applicant's mark nearly resembles the Opposer's KENT mark as to be likely to deceive or cause confusion. Hence, the Registration of the Respondent-Applicant's mark will be contrary to Section 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 No. 8293, which provides:

"Section 3. International Convention and Reciprocity. - Any person who is a national or who is domiciled or has a real effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends to reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act."

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. The Paris Conventional provides that:

"Article 6bis

"(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation, or a translation considered by competent authority of the country of registration or use to be well known in that country is being mark of a person entitled to the benefits of this Convention and used for identical or similar goods."

“Article 10bis

(1) The countries of the Union are bound to assure nationals of such countries effective protection against unfair competition”

5. The Opposer’s KENT mark is well-known and world famous mark. Hence, the registration of the Respondent-Applicant’ mark will constitute a violation of the Article 6bis and 10bis the Paris Convention in conjunction with Sections 3, 123.1 (e) and 123.1 (f) of the Republic Act No.8293.

6. The use by the Respondent-Applicant of the TRENT mark on goods that are similar, identical or closely related to goods that are produced by, originate from, or are under the sponsorship of the Opposer will mislead the purchasing public into believing that the Respondent-Applicant’s goods are produced by, originate from, or under he sponsorship of the Opposer.

7. The denial of the application subject of this opposition is authorized under the provisions of Republic Act No. 8293.

The Opposer will rely on the following facts to support its opposition, reserving the right to present evidence to prove other facts that may be necessary and expedient in the course of proceedings, depending upon the evidence that may be introduced by the Respondent-Applicant.

1. The Opposer is the owner of the owner of the KENT mark, which has been registered and applied for registration in the name of the Opposer in the Philippines and in other countries.

2. The Opposer has been commercially using the KENT mark in the Philippines and internationally prior to the filing date of the application subject of this opposition.

2.1 The well-known use of the KENT mark in commerce by the Opposer and its predecessors-in-interest, in connection with cigarettes, began as early as 1952 in United States of America and has been continuous, famous and uninterrupted ever since then.

2.2 In the Philippines, goods bearing the KENT mark have been sold as least as early as 2000.

3. By reason of spelling, pronunciation and appearance, the Respondent-Applicant’s TRENT mark is confusingly similar to Opposer’s KENT mark.

4. The Opposer has not abandoned the KENT mark and continues to use it in trade and commerce in the Philippines and in other countries.

5. By virtue of the prior and continuous use by the Opposer of their KENT mark in the Philippines and other parts of the world, the mark has become popular and internationally well-known and KENT is now among the world’s biggest selling cigarettes and is one of the Opposer’s four primary brands. KENT has established for the Opposer valuable goodwill with the public which has identified the Opposer exclusively as the source of goods bearing the said mark.

6. The Opposer has also extensively promoted the KENT mark worldwide.

6.1 Over the years, the Opposer has obtained significant exposure for its goods upon which the KENT mark is used, in various media including television commercials, outdoor advertisements, internationally well-known print publications, and promotional events. Thus, the mark has become so well-known that it has acquired a secondary meaning, so that the mere use of the word KENT or any other word deceptively similar to it in relation to tobacco products, would immediately conjure in the minds of consumers that the goods are manufactured by or behalf of the Opposer. The mark by virtue of long, continuous and extensive use for over 5 decades has thus acquired distinctiveness of such nature that the said mark has come to be inseparably associated with the opponent.

To support its opposition to the mark TRENT, Opposer submitted on 22 December 2005 their evidence consisting of exhibits "A" to "E" inclusive of sub markings.

On 21 March 2005, this Bureau sent Respondent-Applicant a Notice to Answer, however despite due notice, no such Answer nor any motion or pleading relative thereto has been filed, hence, the Hearing Office granted Opposer's Motion to Declare Respondent in Default.

The issue that needs to be resolved in this opposition case is whether or not Respondent-Applicant's trademark "TRENT" is confusingly similar to Opposer's Trademark "KENT".

This Bureau finds the Opposition meritorious. In comparing the Opposer's "KENT" trademark to that of the Respondent's "TRENT", it appears that the common syllables in both marks are the letters "ENT" which is the dominant feature in both marks. The only difference between the two marks can be seen on the initial two-letter syllables of the Respondent's trademark which is "TR" and for the Opposer, the first syllable "K". Nevertheless, this Bureau still finds that there is a strong visual and aural resemblance, and taken into consideration is the fact that the goods involved here belong to the same Classification. Hence, the resemblance and the relatedness of the goods are more than enough to cause confusion to the buying public.

The determinative factor in a contest involving registration of trademark 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. X X X 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. (America Wire and Cable Company v. Director of Patents, 31 SCRA 544)

In ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, two kinds of test have been developed - the Dominancy Test applied in *Asia Brewery, Inc. v. Court of Appeals*, 224 SCRA 437; *Co Tiong v. Director of Patents*, 95 Phil.1; *Lim Hoa v. Director of Patents*, 31 SCRA 544; *Philippines Nut Industry, Inc. v. Standards Brands, Inc.*, 65 SCRA 575; *Converse Rubber Corp. v. Universal Rubber Products, Inc.*, 147 SCRA 154; and the Holistic Test developed in *Del Monte Corporation v. Court of Appeals*, 181 SCRA 410; *Mead Johnson & Co. v. Director of Patents*, 17 SCRA 128; *Fruit of the Loom, Inc. v. Court of Appeals*, 133 SCRA 405.

As its title implies, the test of dominancy focuses on the similarity of prevalent essential or dominant features of the competing trademark which might cause confusion or deception. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity.

In the case of McDonald's Corporation v. L.C Big Mak Burger, Inc 47 SCRA 10, the Supreme Court has relied on the dominancy test resolving the issue of likelihood of confusion. It was ruled that:

"This Court, however, has relied on the dominancy test rather than the holistic test. The dominancy test considers the dominant features in the competing mark 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. Court 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 markets segments".

Thus, in the 1954 case of Co Tiong Sa v. Director of Patents, 95 Phil. 1, the Supreme Court held that:

"x x x It's has been consistently held that the question or 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 that the infringing label should suggest an effort to imitate. The question at issue in cases if infringement of trademark is whether the use of the marks involved would likely to cause confusion or mistakes in the mind of the public or deceive purchasers".

Sec.123.1 (d) of R.A. 8293 (I.P. Code of the Philippines) provides that:

Sec. 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 deceive or cause confusion;

We have noted likewise that the Supreme Court has observed and upheld confusing similarity the following trademark with similar and dominant suffixes: DURAFLEX and DYNAFLEX (American Wire and Cable Co. vs. Director of Patents, 31 SCRA 244); LIONPAS and SALONPAS (Marvex Commercial Co. Inc. vs. Director of Patents, 15 SCRA 149); and SUNVIS and UNVIS (Esso Standard Oil Company vs. Sun Oil Company, et al, 46 TMR 444).

It is also worth mentioning that herein Respondent-Applicant was declared in DEFAULT by virtue of Order No.2005-606 for his failure to file his Answer despite due notice. It was held by the Supreme Court in Delbros Hotel Corporation vs. Intermediate Appellate Court, GR NO. L-72566, (12 April 1988) that:

"Fundamentally, default orders are taken on the legal presumption that in failing to file an Answer, the Defendant does not oppose the allegations and relief demanded in the complaint"

Indeed, this Bureau cannot but notice the lack of concern the Respondent-Applicant had shown in protecting the mark which is contrary to the norm that: "A person takes ordinary care of his concern" [Sec.3 (d), Rule 131 of the Rules of Court].

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, the trademark application bearing Serial no. 4-2002-003885 filed on

May 15, 002 by Associated Anglo-American Tobacco Corporation for the mark "TRENT" is hereby REJECTED.

Let the filewrapper of the trademark "TRENT" subject matter under consideration be forwarded to the Bureau of Trademarks (BOT) for appropriate action in accordance with this Decision.

SO ORDERED.

Makati City, 14 June 2007

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office