

CASTROL LIMITED	}	IPC No. 14-2004-00099
OPPOSER,	}	
	}	
-versus-	}	Opposition to:
	}	Trademark: "PETRON GX"
	}	Appln. No.: 4-1997-127481
	}	Date Filed: 23 December 1997
PETRON CORPORATION,	}	
RESPONDENT-APPLICANT.	}	

Decision No. 155

### DECISION

This is an opposition proceeding that Castrol Limited (*Opposer*) instituted seasonably against Petron Corporation (*Respondent*). A brief description of the parties is certainly apropos.

Opposer is a company organized under the laws of England and Wales with principal office at Burmah Castrol House, Pipers Way, Swindon, Wiltshire SN3 1RE, England. It is the alleged owner of the trademarks "CASTROL GTX" and "GTX". On the other hand, Respondent is a company duly organized and existing under the laws of the Philippines with principal office at Petron Mega Plaza, 358 Sen. Gil Puyat Ave., Makati City. It is the applicant for registration of the mark "PETRON GX" under Application No. 4-1997-127481 for goods under Class 4 covering gear lubricant product.

On 20 August 2004, Opposer filed with the Bureau a Notice of Opposition (*Opposition*). This was docketed as Interpartes Case No. 14-2004-00099. In its Notice of Opposition, Opposer contended essentially that Respondent's mark "PETRON GX" is confusingly similar to its internationally well-known marks "CASTROL GTX" and "GTX." The salient of the Opposition substantiating Opposer's contention are stated below, viz.:

Opposer is the true owner and rightful proprietor of the internationally known trademarks "CASTROL GTX" and "GTX" (collectively referred to as the "GTX Trademarks") which are used in Opposer's various goods under Class 4. Attached are copies of specimen labels of the GTX Trademarks as required under the Rules.

On 21 March 1978, the then bureau of Trademarks, Trade Names, and Technology Transfer (BPTTT, for brevity) issued to Opposer the Certificate of Registration for the trademark "CASTROL GTX" bearing Registration No. 25689 for industrial and oil greases (other than edible oils and fats and essential oils) under Class 4.

On 20 July 1993, the then BPTTT issued to Opposer the Certificate of Registration for the Trademark "GTX" bearing Registration No. 55587 for motor oils under Class 4.

As the owner of the GTX Trademarks, Opposer caused the application and registration of the same [in several countries.] ... The GTX Trademarks were registered as early as 14 March 1968 in the United Kingdom with respect to the trademark "CASTROL GTX" and as early as 04 June 1968 in the Benelux countries with respect to the trademark "GTX".

Opposer has continuously used the GTX Trademarks worldwide since the 1960s.

Opposer first used the GTX Trademarks in the Philippines in July 1993 through distribution, marketing, and sale of mineral-based oil for use in passenger cars.

Opposer maintains worldwide and extensive advertising and promotional campaigns for its goods bearing the GTX Trademarks.

By reason of Opposer's worldwide and continuous registration, advertising campaign, and use of the GTX Trademarks, the same have become internationally known and have acquired a meaning exclusively identified with Opposer's goods.

On 23 December 1997, almost two decades from the time the IPO issued the Certificate of Registration for the trademark "CASTROL GTX", Respondent-Applicant applied for the registration of the trademark "PETRON GX" for gear lubricants under Class 4, undoubtedly to take advantage of the popularity and goodwill generated by Opposer's GTX Trademarks. The use by Respondent-Applicant of the letters "G" and "X" closely resembles that of Opposer's GTX Trademarks. There are limitless names and letters combinations available to Respondent-Applicant, but it nevertheless sought to incorporate the letters "G" and "X" in the trademark "PETRON GX" to clearly confuse or deceive purchasers into believing that the goods of Respondent-Applicant are those of, or sponsored by, the Opposer.

The registration and use by Respondent-Applicant of the trademark "PETRON GX" would tend to falsely suggest a connection with the Opposer.

The registration and use of the trademark "PETRON GX" will also diminish the distinctiveness and dilute the goodwill associated with Opposer's GTX Trademarks which have become distinctive for, and practically synonymous with, the goods and products manufactured and sold by the Opposer all over the world.

The registration of the trademark "PETRON GX" in the name of Respondent-Applicant, which closely resembles the Opposer's GTX Trademarks, will cause the latter incalculable damage to its reputation and general business standing.

The use and adoption by Respondent-Applicant of the trademark "PETRON GX", which is confusingly similar to, and closely resembles, Opposer's GTX Trademarks, constitute an unlawful appropriation of an internationally known mark.

On 26 October 2004, Respondent filed its Answer specifically denying the salient allegations of the Opposition. Essentially, it argued that Respondent's mark "PETRON GX" is not confusingly similar to Opposer's marks "CASTROL GTX" and "GTX." Moreover, it noted that Opposer lost its exclusive rights over its marks pointing out that their terms of protection have expired. The salient portions of Respondent's Answer are stated below, viz.:

Considering that the registration of the trademark "CASTROL GTX" is only for a term of twenty (20) years from March 21, 1978 or until March 21, 1978, opposer has lost its exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the Certificate of Registration, in accordance with Sec 138 of RA 8293 – The Intellectual Property Code of the Philippines and therefore, the application for "PETRON GX" must be allowed to proceed registration.

Respondent applicant respectfully submits that the use of its trademark "PETRON GX" will not result in confusion among the relevant sector of the public.

The Opposer's trademarks use the letters "G", "T", and "X" and the word "CASTROL" while respondent-applicant's trademark uses the letters "G" and "X" and the word "PETRON". Hence, there is no resemblance in the trademarks.

Opposer uses its name "CASTROL" in its trademarks as shown in its advertising promotional campaigns to indicate the owner or manufacturer of the goods while respondent-applicant uses its name "PETRON" to indicate that it owns or manufactures the goods. Respondent-Applicant is the leader in the Philippine oil industry and it is not known to be connected or associated with the Opposer for the truth of the matter is that they are competitors in the motor oil business in the Philippines.

Opposer uses its trademarks for engine motor oil while respondent-applicant uses its trademark for gear lubricants of transmissions and axles. Hence, the trademarks are applied to different goods.

Respondent-applicant had prior use of its trademarks "PETRON GX" since it was first used on the goods on March 19, 1989 and first used in the Philippines on April 5, 1989 as compared to the opposer who suddenly and belatedly claimed in its Verified Notice of Opposition that the GTX trademarks were first used in the Philippines in July 1993, contrary to what appeared in its Certificate of Registration.

Having expressed their intention to amicably settle the case, the Bureau allowed the parties to postpone the conduct of pre-trial conference hearing for a number of times. Nonetheless, after postponements, we considered the pre-trial conference terminated.

During the pendency of this proceeding, the IP Philippines (Office) issued Office Order No. 79 amending our then existing Regulations on Interpartes Proceedings. In conformity with Office Order No. 79, we issued Order No. 2005-825 requiring the parties to inform us whether they agree that their case be governed under the amendatory regulation or under the then existing regulation. The salient portions of the subject Order reads, viz.:

Thereafter, the BLA shall issue the corresponding Order on the basis of the respective information that both parties shall furnish. Failure to inform the BLA in writing within the prescribed period shall be construed as consent to be governed by the summary rules.

On 28 October 2005, Opposer filed a relevant paper entitled Manifestation, expressing, among others, its willingness to have their case governed under the amendatory regulation. On 2 November 2005, Respondent also expressed their willingness to have their case adjudicated under the new regulation. On 30 January 2006, we issued Order No. 2006-182 holding that the above-entitled proceeding shall be adjudicated under Office Order No. 79. To adjudicate this proceeding under the amendatory regulation, we issued another order directing the parties to comply with the prescribed requirements under the new regulation. On 6 March 2006, Opposer filed a relevant paper entitled Compliance. On 6 April 2006, Respondent filed a relevant paper entitled Offer of Evidence.

In this opposition proceeding, the sole issue is whether or not Respondent is entitled to the registration of its mark "PETRON GX." But in order to resolve the issue, it is necessary to determine whether or not Respondent's "PETRON GX" mark is confusingly similar to Opposer's "CASTROL GTX" and "GTX" marks.

As earlier noted, Opposer contended essentially that Respondent's mark "PETRON GX" is confusingly similar to its internationally well-known marks "CASTROL GTX" and "GTX." Notably, Opposer's main contention involves a two-fold premises, viz.: first, it is true and rightful owner of the internationally well-known marks "CASTROL GTX" and "GTX"; and second, its marks "CASTROL GTX" and "GTX" are confusingly similar to Respondent's mark "PETRON GX."

To prove its true and rightful ownership over the internationally well-known marks "CASTROL GTX" and "GTX", it presented and offered its registration certificates and commercial activities in the Philippines and in other parts of the globe. After a careful scrutiny, it appears that some of its foreign registrations have not been certified nor translated as required. Nonetheless, a sufficient number would satisfactorily show that the earliest registration for their respective marks "CASTROL GTX" and "GTX" was obtained in 1968. To date, it appears that all, if not, a large majority of these admissible foreign registrations are still valid. In the Philippines, Opposer secured registrations for the mark "CASTROL GTX" in 1978 and for the mark "GTX" in 1993. Noticeably, these registrations were granted based on Opposer's home country registration. This accounts for the "none" or "no" remark on the item "first use" in Application Serial No/ 29075 for the mark "CASTROL GTX" which matured into Registration No. 25689 and in Application Serial No. 76538 for the mark "GTX" which matured into Registration No. 22287. To date, it appears that Registration No. 25689 for the mark "CASTROL GTX" is subject to renewal and Registration No. 55587 for the mark "GTX" is renewed.

Now, we turn to Opposer's commercial activities. Noticeably, its print advertisements abroad ere not dated. Nevertheless, it appears that the earliest advertisement in the Philippines was in 1999. As regards the sales of its products bearing the marks "CASTROL GTX" and "GTX", all, if not, a large majority appears to have been made in 2005.

To substantiate confusing similarity, Opposer pointed out that the letters "GX" forming part of Respondent's mark "PETRON GX" will certainly cause confusion among the relevant sector of the public. This is inevitable, it noted, because of the popularity and goodwill of its marks "CASTROL GTX" and "GTX" and the identicalness of the parties' goods. It remarked that there are limitless names and letter combinations available to Respondent, but they nevertheless sought to register and use the letter combination "GX" to clearly confuse purchasers of Class 4 products into believing that the Respondent's goods are those of, or sponsored by, or related to, Opposer. To bolster its argument, it noted the Office's decision in the case of *The Limited Store, inc. vs. X-Tasy Garments, Inc.* and the Supreme Court's decision in the cases of *Co Tiong Sa vs. Director of Patents and Marvex Commercial Co., Inc. vs. Petro Hawpia & Co.*

For its part, Respondent argued that no confusing similarity exists between the parties' respective marks. First, it noted that Respondent's mark "PETRON GX" is different in appearance, spelling, pronunciation, and sound from Opposer's marks "CASTROL GTX" and "GTX". To prove its point, it presented and offered a drawing of its mark showing the word

"PETRON" and the letters "GX" printed in capital and bold letters. Second, it remarked that both parties use their respective corporate names in their marks, "PETRON" for Respondent and "CASTROL" for Opposer. Finally, it explained that the parties' competing trademarks are applied to different goods. It noted that Respondent's mark is applied or used on gear lubricants of transmissions and axles of buses and trucks. The goods pertain to Respondent's premium grade gear oil available only in drums and are sold in bulk at Respondent's terminals and depot. In contrast, Opposer's marks are applied to or used on motor oil of gasoline, diesel, or LPG engines of passenger cars or light vehicles. Moreover, Opposer's goods are sold in gasoline stations, auto supply shops, supermarkets, and hardware stores and come in smaller packages.

Respondent having filed its trademark application on 23 December 1997, the governing laws are Republic Act No. 166, as amended, and the Paris Convention for the Protection of Industrial Property (Paris Convention). It should be noted that Republic Act No. 8293 (The Intellectual Property Code) took effect only on 1 January 1998.

Before resolving the more important issue of confusing similarity, Opposer's relevant assertions deserve some consideration. Opposer's circumstances clearly demonstrate prior and continuous use of its marks "CASTROL GTX" and "GTX". This confers upon itself the very right of ownership over these marks. Its registration certificates, advertisements, and sales show satisfactorily not only prior adoption but also prior and continuous use. It must be noted that trademark is essentially a creation of use. Albeit sales invoice show sales in 2005 only, its registration certificate for the mark "CASTROL GTX" reveals Respondent's continuous use.

Nonetheless, Opposer's marks cannot be considered as enjoying an internationally known status. A careful study of Opposer's evidentiary portfolio would show that no proof was shown on its worldwide sales, sales offices, distributorships, and the like, in different countries, including the volume or some other measure of international trade and commerce. Notably, these factors serve not only as a legal measure but also a valuable parameter to determine whether a mark is well known or not. Their absence militates adversely against Opposer's assertions. Albeit it may have shown several valid foreign registrations secured as early as the 1960s, it plainly appears that it failed to meet some other equally important requirements.

Now, we shall resolve the more important issue of confusing similarity. Respondent's mark "PETRON GX" is not confusingly similar to Opposer's mark "CASTROL GTX" and "GTX". In evaluating the similarity of the parties' marks, it requires us to examine their appearance, sound, connotation, and commercial impression. Notably, each of the parties' mark generates a distinct overall commercial impression. Respondent uses its corporate name Petron in its mark "PETRON GX." On the other hand, Opposer uses its corporate name Castrol in its mark "CASTROL GTX". In its mark "GTX," similarly, no confusing similarity can result. As earlier noted, Respondent uses its corporate name Petron in its mark.

Albeit the parties' goods may appear to be related as they share common descriptive properties or serve the same, if not, some similar purpose, their non-competing trademarks negate any possibility of confusing similarity. Thus, neither confusion of the parties' goods nor confusion of their businesses can result.

From the foregoing disquisitions, it can be clearly seen that Respondent is entitled to the registration of its mark "PETRON GX." Having discussed the main, critical, and the most important issues, we see no need to belabor the rest.

WHEREFORE, premises considered, the Notice of Opposition is DENIED. Accordingly, Respondent's trademark application serial no. 4-1997-127481 filed on 23 December 1997 by Petron Corporation for the registration of the mark "PETRON GX" is GIVEN DUE COURSE.

Let the filewrapper for the mark "PETRON GX" subject matter of this case, together with a copy of this Decision, be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, 22 December 2006.

ESTRELLITA BELTRAN-ABELARDO  
Director, Bureau of Legal Affairs