

NELSON CHAN  
Opposer,

IPC No. 14-2008-00016  
Case Filed: 22 January 2008

- versus -

Opposition to:  
Application Serial No. 4-2005-010222  
Date Filed: 14 October 2005

Trademark: "SEXY GALS JEANS  
AND DESIGN"

JERRY L. YAO  
Respondent-Applicant.

Decision No. 2010-61

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### DECISION

NELSON CHAN ("Opposer"), a Filipino, of legal age, and with postal address at No. 1318 Franco corner Moriones Streets, Tondo, Manila, filed on 22 January 2008 an opposition to Trademark Application Serial No. 4-2005-010222. The application, filed on 14 October 2005 by JERRY L. YAO ("Respondent-Applicant") of No. 1830-B, Domingo Street, Pasay City, covers the mark "SEXY GALS JEANS AND DESIGN", for use on goods under Class 25<sup>1</sup> namely, "t-shirts, polo, shirts, jackets, jeans, pants, shorts, blouses, jogging pants, briefs and socks". The application was published for opposition in the Intellectual Property Office Electronic Gazette on 29 November 2007.

The Opposer alleges the following:

"1. Approval of the application in questions is contrary to Sections 123.1 (d) and 138 of Republic Act No. 8293;

"2. Approval of the application in question has caused and will continue to cause great and irreparable damage and injury to herein Opposer;

x x x

"Opposer will rely on the following facts established by the annexed affidavit and exhibits to support his opposition, reserving the right to present evidence to prove other facts which may be necessary in the course of the proceedings, depending upon the evidence which may be submitted by Respondent-Applicant:

"1. Opposer is a Filipino citizen, of legal age, with business and postal address at 1318 Franco corner Moriones Streets, Tondo, Manila;

"2. Opposer is the registered owner of the trademark 'GALS' for use on jeans, polo, pants, shirts, jackets, shorts, jogging suits and socks under Registration No. 54193 issued on 01 February 1993, with claim of first use on 05 January 1988:

x x x

Registration No. 54193 continues to be in full force and effect.

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<sup>1</sup> The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the purposes of the Registration of Marks concluded in 1957.

"3. Opposer has continuously used since 05 January 1988 and has not abandoned the use of the trademark 'GALS' registered under Registration No. 54193 (Exhibit "A");

x x x

"4. As proof of his continuous use of his registered trademark 'GALS', Opposer submits herewith representative sales invoices marked as Exhibits "C" to "C-4" and made integral parts hereof;

"5. Sample of Opposer's pair of jeans and shirts bearing his registered trademark 'GALS' and photographs thereof, are marked as Exhibits "D" and "D -1", and "E" and "E-1", respectively, and made an integral parts hereof;

"6. Through continuous commercial use, promotion and/or advertising of his registered trademark 'GALS' for the last twenty (20) years, the relevant sector of the public in the Philippines has come to know and identify the trademark 'GALS' as belonging to the Opposer;

"7. The trademark 'SEXY GALS, JEANS AND DESIGN' being applied for registration by Respondent-Applicant is confusingly similar to the registered trademark 'GALS' of Opposer;

"8. The goods, namely: t-shirts, polo, shirts, jackets, jeans, pants, shorts, blouses, briefs and socks covered by Respondent-Applicant's application, are identical to, and/or are closely related to the goods covered by Registration No. 54193 (Exhibit "A") of Opposer. Accordingly, the approval of the application is question is contrary to Section 123.1 (d) of Republic Act No. 8293, which provides:

x x x

"9. The approval of the application in question violates the right of Opposer to the exclusive use of his registered trademark 'GALS' on the goods listed in his Certificate of Registration (Exhibit "A").

Section 20 of Republic Act No. 166, as amended, the law under which Opposer's registration was issued, provided:

'Section 20. Certificate of registration prima facie evidence of validity. - A certificate of registration of a mark or tradename shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark or trade name, and of the registrant's exclusive right to use the same in connection with the goods, business or services specified in the certificate, subject to any conditions and limitations stated therein.'

Section 20 of Republic Act 166 as amended, is not found in Section 138 of the IP Code.

"10. Should the trademark 'SEXY GALS JEANS AND DESIGN' be registered in the name of Respondent-Applicant, the likelihood of confusion on the part of the consuming public is bound to occur, as confusion of source, affiliation or connection. Compounding the likelihood of confusion and deception is the fact that the goods upon which Respondent-Applicant's trademark are to be used are identical, as well as closely related, to the goods of Opposer;

"11. Opposer has been damaged and will continue to be damaged by the registration of the trademark 'SEXY GALS JEANS AND DESIGN' in the name of Respondent-Applicant, in that the use of said mark by Respondent-Applicant will prejudice the rights of Opposer over his registered 'GALS' trademark and irreparably impair and/or destroy the goodwill generated by him over his trademark 'GALS' for the last twenty (20) years."

The Opposer's evidence consists of the following:

1. Exhibit "A" A certified copy of Opposer's Certificate of Registration No. 54193 for the trademark GALS issued on February 1, 1993;
2. Exhibit "B" to "B-1" Photocopies of the Affidavits of Use submitted by Opposer for Registration No. 54193 (The duplicate originals will be submitted for comparison during the preliminary conference);
3. Exhibit "C" to "C-4" Representative sales invoices of goods bearing the trademark GALS;
4. Exhibit "D" and "E" Samples of Opposer's jeans and t-shirts bearing the trademarks GALS;
5. Exhibit "D -1" and "E-1" Photographs of Exhibits "D" and "E";
6. Exhibit "F" Computer print-out of Respondent-Applicant's mark SEXY GALS JEANS AND DESIGN as published in the e-Gazette;
7. Exhibit "G" Duly notarized affidavit of Nelson Chan.

Per Order No. 2008-1543 issued on 13 October 2008, the case was deemed submitted for decision based on the evidence submitted by the Opposer, the Respondent- Applicant having been declared to have waived his right to present evidence pursuant to Rule 2, Section 11 of the Regulations on Inter Partes Proceedings, as amended. The Respondent-Applicant filed on 04 November 2008 a Motion for Reconsideration. The Opposer, in turn, filed on 11 November 2008 a "Comment on Respondent's Motion for Reconsideration". On 30 March 2009, this Bureau issued Order No. 2009-575 denying the Motion for Reconsideration for lack of merit.

Should the Respondent-Applicant be allowed to register in his favor the mark "SEXY GALS JEANS AND DESIGN"?

The essence of trademark registration system is to pinpoint distinctly the origin of 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 interior and different article as his product.<sup>2</sup>

Thus, Sec. 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (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 date 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'

The competing marks are shown below for comparison:

Opposer's mark



Respondent-Applicant's mark



The feature in the Respondent-Applicant's mark that immediately draws the eyes and the ears is the word "GALS". This is the part of the mark that is likely to be impressed upon the senses and consciousness of the consumers. This feature, however, constitutes the Opposer's registered mark. Thus, notwithstanding the fact that there are other features in the Respondent-Applicant's mark, this Bureau finds that the said mark is a colorable imitation of the Opposer's mark. The added features in the Respondent-Applicant's mark are insufficient to confer upon it a character distinct from the Opposer's, owing to the prominence of the word "GALS". Similarity in size, form and color, while relevant, is not conclusive. Neither duplication/imitation, or the fact that the infringing label suggests an effort to emulate, is necessary. Actual confusion is not necessary. The competing marks need only contain the main, essential or dominant features of another; and that confusion and deception are likely.<sup>3</sup>

The competing marks are likely to create a confusion of goods as well as confusion of business to the purchasing public, especially as both are applied to similar goods under the same class -clothing apparel generally under Class 25. In sum, the likelihood of confusing the Opposer's mark with the Respondent-Applicant's mark or assuming a connection between the two parties in the sense that one party may appear to have allowed, consented, or licensed the use of its mark or a colorable imitation thereof to the other party, when, in fact, there is none, is probable for the reason that the parties apply and use their respective marks on similar goods.<sup>4</sup>

Records show that at the time the Respondent-Applicant filed his trademarks application on 14 October 2005, the Opposer has an existing trademark registration for its mark GALS. The Opposer's registration, No. 54193, has a term of twenty (20) years from 01 February 1993.<sup>5</sup>

Thus, Trademark Application Serial No. 4-2005-010222 is prescribed by Sec. 123.1 (d) of the IP Code.

Being on the same line of business with the Opposer, in fact, business competitors, it is a fair inference that the Respondent-Applicant is aware of the existence of the Opposer's mark. It is obvious, therefore, that the Respondent-Applicant in appropriating, and applying for

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3 Sterling Products International, Inc. v. Farbenfabriken Bayer Aktiengesellschaft, G.R. No. L-19906, April 30, 1969; Lim Hoa v. Director of Patents, G.R. No. L-8072, October 31, 1956; Co Tiong Sa v. Director of Patents, et al., G.R. No. L-5378, May 24, 1954

4 Mc Donald's Corporation et al. v. L.C. Big Mak Burger, Inc., et al. G.R. No. 143993, August 18, 2004; Converse Rubber Corporation v. Universal Rubber Products, Inc. et. al., G.R. No. L-27906, January 8, 1987; Sterling Products International, Inc., v. Farbenfabriken Bayer Aktiengesellschaft, G.R. No. L-19906, April 30, 1969.

5 See Exhibit "A"

registration, the mark SEXY GALS JEANS AND DESIGN was inspired by, or motivated by a desire to imitate, the Opposer's mark.

Aptly, a boundless choice of words, phrases and symbols is available to one who wishes a trademark sufficient into itself to distinguish his product from those of others. When, however, there is no reasonable explanation for one to have coined or appropriated a mark that is confusingly similar to a mark already owned or used by another, the inference is inevitable that it was chosen deliberately to deceive.<sup>6</sup> Even in case of grave doubt, the rule is that as between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer in as much as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.<sup>7</sup>

WHEREFORE, premises considered, the instant opposition is hereby SUSTAINED.

Let the filewrapper of Trademark Application Serial No. 4-2005-010222 be returned together with a copy of this Decision to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, July 29, 2010.

NATHANIEL S. AREVALO  
Director, Bureau of Legal Affairs  
Intellectual Property Office

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<sup>6</sup> See *Converse Rubber Corp. v. Universal Rubber Products, Inc.*, G.R. L-27906, 08 January 1987.

<sup>7</sup> *Del Monte Corporation, et, al, v. Court of Appeals*, G.R. No. 78325, 25 January 1990,