

GONZALO M. DINGAL,  
Respondent-Appellant,

-versus-

TERESITA P. VILLANUEVA  
Opposer - Appellee.

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Appeal No. 14-09-12

Inter Partes Case No.14-2007-00212  
Opposition to:  
Application No. 4-2006-000946  
Date Filed: 27 January 2006  
Trademark: AMIRA MAGIC

## DECISION

GONZALO M. DINGAL ("Appellant") appeals the decision of the Director of the Bureau of Legal Affairs ("Director") sustaining the opposition of TERESITA P. VILLANUEVA ("Appellee") to the registration of the 1-mark "AMIRA INIAGIC" in favor of the Appellant.

Records show that the Appellant filed on 27 January 2006 the trademark application for the registration of AMIRA MAGIC for use on goods falling under Classes 3 and 5 of the Nice Classification<sup>1</sup> namely: Class 3 - cream, lotion, shampoo, body toner, body scrub, perfume; and Class 5 — food supplement. The application was published in the Intellectual Property Office Electronics Gazette for Trademarks on 23 March 2007. On 19 July 2007, the Appellee filed a "NOTICE OF OPPOSITION" alleging the following:

1. AMIRA MAGIC is confusingly similar to "MAGIC CREAM";
2. She filed an application for the registration of MAGIC CREAM on 09 June 2004 which was published for opposition in the Intellectual Property Office Electronics Gazette for Trademarks on 28 October 2005;
3. Her application was opposed by the Appellant<sup>2</sup> which was denied by the Director in her Decision No. 2007-06, dated 19 January 2007;
4. The Appellant appealed Decision No. 2007-06 to the Office of the Director General (Appeal No. 14-07-13) and the case was deemed submitted for resolution.'
5. She has acquired a property right in the goodwill of goods and business identified under the mark MAGIC CREAM and the subsequent registration of AMIRA MAGIC will cause great injury and irreparable damage to her business and goodwill;
6. The Bureau of Trademarks rejected the registration of the mark "THE REAL AMIRA MAGIC CREAM SKIN WHITENING AND DESIGN" filed on 03 August 2004 by Arnim Pharmaceutical and Medical Trading;
7. She has the right to assert and uphold the posture to protect her rights, reputation and goodwill from subsequent user of a confusingly similar trademark;
8. The Appellant's application should be denied and must not be countenanced as it borders an act constituting unfair competition;
9. As owner and prior user of MAGIC CREAM, she has proprietary rights thereto which include the right to exclude third parties from registering AMIRA MAGIC;
10. Both the goods produced by the parties belong to the same class/category and to allow the registration of AMIRA MAGIC would result in confusion as to the goods being produced/manufactured and distributed/ sold by her; and
11. The determinative factor in ascertaining whether or not marks are confusingly similar to each other 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.

The Appellee submitted the following documents to support her opposition:

1. The Appellant's Notice of Opposition, dated 25 February 2006;<sup>4</sup>
2. The Appellee's Verified Answer, dated 26 July 2006;<sup>5</sup>
3. The Appellee's Position Paper, dated 29 September 2006;<sup>6</sup>
4. The Appellant's Position Paper, dated 05 October 2006;<sup>7</sup>
5. Decision No. 2007-06, dated 19 January 2007;<sup>8</sup>
6. The Appellant's Appeal Memorandum, dated 18 March 2007;<sup>9</sup>
7. The Appellee's Comment, dated 27 April 2007;<sup>10</sup> and
8. Print out of the details on the trademark application for "THE REAL AMIRA MAGIC CREAM SKIN WHITENING AND DESIGN."<sup>11</sup>

On 10 December 2007, the Appellant filed his "VERIFIED ANSWER" alleging the following:

1. He opposed the registration of MAGIC CREAM because this mark violates Sec. 123.1 (j) of the Intellectual Property Code of the Philippines ("IP Code"); MAGIC CREAM has not acquired any secondary meaning to be distinctive and registrable; the opposition is pending in the Office of the Director General;<sup>12</sup>
2. In obvious retaliation and notwithstanding the absence of legal and factual basis, the Appellee filed the instant opposition which has no leg to stand on and deserves no credence from this Honorable Office;
3. The Appellee is opposing AMIRA MAGIC upon the ground that it is confusingly similar to MAGIC CREAM and she was obviously relying on Sec. 123.1 (d) of the IP Code;
4. The Appellee's reliance on this provision is utterly misplaced because MAGIC CREAM is not yet registered and the rights of trademark accrue only upon registration; even assuming that MAGIC CREAM may be registrable, only after it is registered may the Appellee use it to oppose his trademark application;
5. In assessing whether a mark is registrable, it must be kept in mind that the objects of a trademark are to point out distinctly the origin or ownership of the article to which it is affixed, to secure to him who has been instrumental in bringing into market a superior article of merchandise the fruit of his industry and skill, and to prevent fraud and imposition;
6. It is undeniable that no matter how one may look at MAGIC CREAM, it does not function to inform the purchaser of the source of the product, rather, it is pure and simple a description of the nature thereof,
7. The Appellee in one of her billboard advertisements along the North Expressway has used the slogan, "It is not Magic, if it is not Pervil" which is a gigantic admission that "Magic" per se is unable to denote the origin or source of her products by using MAGIC CREAM alone and has to resort to invoking "Pervil" to cultivate source identification;
8. MAGIC CREAM fails to provide for any distinction that will differentiate it from other Class 03 products; it consists of two words "magic" and "cream"; "cream" is generic and, thus, the registrability of MAGIC CREAM rests solely on whether "Magic" alone and by itself and as used in MAGIC CREAM is registrable;
9. Magic is used merely as a descriptor of the characteristics, functions and qualities of the product and when used in connection with skin whitening creams, it seeks to evoke the

idea that the product possesses, "magic" characteristics, function or quality and can, therefore, provide fairer skin; magic, alternatively, is misdescriptive of the characteristic, function or quality of the cream product to provide fairer skin because there is in fact no magic involved;

10. Magic being misdescriptive of the product does not mean admitting it to be distinctive because misdescription is essentially false description and as such it not only fails to identify the source of the product, it also perpetrates fraud and imposition upon the public which is proscribed by Sec. 123.1 (g) of the IP Code;
11. The fact that the word "cream" had been disclaimed is of no moment as the disclaimer of a generic word in a composite mark cannot result in the registrability of an unregistrable mark;
12. There is no evidence that MAGIC CREAM has acquired any such distinctiveness identifying the phrase with the Appellee;
13. AMIRA MAGIC is a very distinctive mark, the use of "amira" meaning princess, is nothing short of arbitrary while the use of the "magic" not as a descriptor but as a noun in tandem with "amira" is fanciful; and
14. For purposes of an opposition to the registrability of AMIRA MAGIC, the only way that the Appellee may possibly succeed to have MAGIC CREAM registered is if she can establish that MAGIC CREAM has acquired a secondary meaning, which unfortunately, she has not.

The Appellant's evidence consists of the sworn statement of Enrique M. Montero, dated 10 December 2007, and a copy of the answer of Paciencia DJ Chua dated 03 August 2004, on the Appellant's appeal to the final rejection of his trademark application for "THE REAL AMIRA MAGIC CREAM SKIN WHITENING AND DESIGN".

Deciding in favor of the Appellee, the Director ruled that AMIRA MAGIC is likely to be mistaken or confused with MAGIC CREAM. The Director had observed that the Appellant adopted the word "MAGIC" written in the same spelling, printing style or horizontal form as in the Appellee's mark MAGIC CREAM. According to the Director, the word "MAGIC" remains to be the prominent and distinctive feature, the combination or addition of the word "AMIRA" written before the word "MAGIC" is insignificant as to yield a distinct appearance not only because the word AMIRA is written to refer to the word "MAGIC" and that the word "MAGIC" standing alone has continued to create confusion between the competing marks. She held that applying the competing marks to the products of the Appellant and the Appellee which are the same, passed through the same channels of trade, and marketed similarly may lead to confusion thereby damaging the Appellee's goodwill or reputation.

Dissatisfied with the Director's decision, the Appellant filed an "APPEAL MEMORANDUM" on 19 February 2009 reiterating his arguments before the Director and in addition, alleges the following:

1. AMIRA MAGIC is not confusingly similar to MAGIC CREAM;
2. The fact alone that the word "MAGIC" is found in both marks does not necessarily lead to the conclusion that they are confusingly similar;
3. The Appellant's use of the word "AMIRA" is not to create some variations so that he may register it and cause problems to the Appellee; AMIRA is the dominant or essential feature of his mark;

4. Although the word "MAGIC" is present on his label, the trademark should be considered as a whole and not piecemeal; the dissimilarities between the two marks become conspicuous, noticeable and substantial enough to matter;
5. The use of the word "AMIRA" in AMIRA MAGIC is fanciful and/ or arbitrary, thereby separating it by a million miles in terms of distinctiveness from MAGIC CREAM, a mark composed of the word MAGIC, so common and so overused, and another word, CREAM, which is generic and had to be disclaimed;
6. The Trademark Examiner after undertaking a registrability examination has found AMIRA MAGIC registrable; and
7. There are other trademark registrations which carry the Word "MAGIC"  
The Appellee filed her "COMMENT (TO APPELLANT'S APPEAL MEMORANDUM)" on 26 March 2009 alleging that:
  1. The AMIRA MAGIC is confusingly similar to MAGIC CREAM;
  2. As owner and prior user of MAGIC CREAM, the Appellee has proprietary rights thereto, which include among others, the right to exclude third parties such as the Appellant from registering the confusingly similar mark AMIRA MAGIC;
  3. The decision of the Director in IPC No. 14-2006-00025 which was affirmed by this Office in Appeal No. 14-07-13 gave her the right to oppose the registration of AMIRA MAGIC;
  4. Her trademark application for MAGIC CREAM for the same goods in Class 3 was filed in 2006 or more or less one and a half years (1 1/2) earlier than the Appellant's trademark application;
  5. MAGIC CREAM can be validly registered as a mark; it is not descriptive but rather a distinctive, as well as a suggestive mark. With-1 the element of incongruity and figurativeness; and
  6. In line with the well-settled principle that the findings of facts by a lower court/office should be given greater weight, the assailed decision should be sustained and the appeal should be dismissed.

Pursuant to Office Order No. 197, Series of 2010, Mechanics for IPO-Mediation and Settlement Period, this case was referred to mediation. This Office ordered the parties to appear in the IPOPHL Mediation Office on 22 February 2011 to consider the possibility of settling the dispute.<sup>13</sup> On 19 September 2011, the IPOPHL Arbitration and Mediation Center notified this Office of the failure by the parties to settle this case and submitted a "NOTICE OF NON-SETTLEMENT OF DISPUTE".

The issue in this appeal is whether the Director was correct in sustaining the Appellee's opposition to the registration of AMIRA MAGIC in favor of the Appellant.

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>14</sup>

In this regard, Sec. 123.1(d) of the IP Code, states 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;

In this instance, the Appellee has an application for the registration of MAGIC CREAM for the same line of goods covered by AMIRA MAGIC. It is also not disputed that the Appellee's trademark application for MAGIC CREAM was filed earlier than the Appellant's application for AMIRA MAGIC.

The relevant question to answer is, therefore, whether AMIRA MAGIC resembles MAGIC CREAM as to be likely to deceive or cause confusion.

In trademark cases, particularly in ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set of rules can be deduced. Each case is decided on its own merits.<sup>15</sup> As the likelihood of confusion of goods or business is a relative concept, to be determined only according to the particular, and sometimes peculiar, circumstances of each case,<sup>16</sup> the complexities attendant to an accurate assessment of likelihood of such confusion requires that the entire panoply of elements constituting the relevant factual landscape be comprehensively examined.<sup>17</sup>

Below are the illustrations of these marks:

*Amira Magic*

Appellant's mark

**MAGIC CREAM**

Appellee's mark

A comparison of the two marks reveals their sire laxity in that they both contain the word "MAGIC" which easily catches the attention of the buying public. The word "MAGIC" is the feature in these marks that draws one's eyes and ears. Since the marks of the Appellant and the Appellee are used on smilax products that are sold and distributed through the same channels of trade, it is likely that the Appellant's products may be mistaken as from the Appellee's, or that the product of the Appellant's products may be associated as those of die Appellee's or vice versa. Moreover, because of their similarity, it is not unlikely that the Appellant's mark may be considered as a variant of the Appellee's mark. This Office, thus, agrees with the Appellee's arguments that:

What is more, to allow the registration of "AMIRA MAGIC" would result in confusion as to the goods being produced/manufactured and distributed/ sold by the Appellee. At this juncture, it would be significant to note that both the goods produced by the herein parties belong to the same class/ category which makes the possible confusion even more inevitable. By appropriating and registering the mark "AMIRA MAGIC", Appellant's products are likely to be mistaken as Appellee's "MAGIC CREAM".<sup>18</sup>

Therefore, the Appellant's use and registration of AMIRA MAGIC on the same line of goods that the Appellee deals in would cause a likelihood of confusion as to who is the true owner of these goods and the marks AMIRA MAGIC and MAGIC CREAM. This would clearly damage the interests of the Appellee being the first one to bring into the market the goods bearing the mark MAGIC CREAM. The Appellee should be given protection from this possible deception or confusion. As correctly observe by the Director:

Opposer is the owner, originator, prior user and earlier filer of the application for trademark MAGIC CREAM used on cosmetics under Class 03. The use and adoption by Respondent-Applicant of substantially the same mark as subsequent user can only mean

that Applicant wishes to reap on the goodwill, benefit from the advertising value and reputation of Opposer's MAGIC CREAM mark.

In the case of *American Wire & Cable Co. vs. Director of Patents*, 31 SCRA 544, it was observed that:

Why of the million of terms and combinations of letters and designs available the appellee had to choose a mark so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark.<sup>19</sup>

In seeking to register the mark AMIRA MAGIC, the Appellant is inviting possible confusion that would undermine the rationale for trademark registration. The Appellant cannot secure an exclusive right to use AMIRA with the word "MAGIC" on goods similar to the Appellee's. There are "million of terms and combinations" which the Appellant can come up to distinguish its mark and goods from those of the Appellee. The Appellant, however, failed to justify why it is using and seeking the registration of a mark containing the word "Magic".

WHEREFORE, premises considered, the instant appeal is hereby DISMISSED. Let a copy of this Decision be furnished the Director of the Bureau of Legal Affairs, the Director of the Bureau of Trademarks, and the library of the Documentation, Information and Technology Transfer Bureau for information, guidance, and records purposes.

SO ORDERED.

November 10, 2011, Taguig City.

RICARDO R. BLACAFLO  
Director General

#### FOOTNOTES:

1 The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. This 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.

2 Docketed as Inter Partes Case No. 14-2006-00025.

3 On 22 April 2008, the Director General issued a DECISION dismissing the appeal.

4 Exhibit "A".

5 Exhibit "B".

6 Exhibit "C".

7 Exhibit "D".

8 Exhibit "E".

9 Exhibit "T".

10 Exhibit "G".

11 Exhibit "H".

12 See footnotes 2 and 3.

13 See Order dated 01 February 2011.

14 *Pribhdas J. Mirpuri vs. Court of Appeals*, G.R. No. 114508, 19 November 1999.

15 *Emerald Garment Manufacturing Corporation vs. Court of Appeals*, 251 SCRA 600 (1995).

16 *ESSO Standard Eastern, Inc. vs. CA*, 116 SCRA 336 (1982).

17 *Societe Des Produits Nestle, S.A., et al vs. CA, et. al.*, G.R. No. 112012, 04 April 2001.

18 See COMMENT (TO APPELLANT'S APPEAL MEMORANDUM), dated 20 March 2009, page 5.

19 See Decision No. 2008-94, dated 19 December 2008, page 22.