

FORD MOTOR COMPANY,	}	IPC No. 14-2006-00101
Opposer,	}	Opposition to:
	}	App. Ser. No. 4-2004-004079
-versus-	}	Date Filed: May 25, 2004
	}	
	}	TM: "TRAKKER"
IVECO S.P.A.	}	
Respondent-Applicant.	}	DECISION NO. 07-32
x-----x		

## DECISION

Before us is a Verified Notice of Opposition filed on August 9, 2006 against the application for registration of the mark "TRAKKER" for heavy truck under Class 12 of the International Classification of goods, bearing Application Serial No. 4-2004-004079 which was published in the Intellectual Property Office Electronic Gazette officially released for circulation on April 12, 2006.

Opposer FORD MOTOR COMPANY, is a company organized under the laws of the State of Delaware, U.S.A., and with principal place of business at One American Road, Dearborn, Michigan 48126 U.S.A. Respondent-Applicant is also foreign corporation organized under the laws of Italy with address at Via Puglia N. 35, Turin, Italy.

The grounds for Opposition to the application for registration of the herein subject mark are as follows:

"1. The registration of the mark subject of this opposition is contrary to Section 123.1 (d) of Republic Act No. 8293;

2. The Opposer is the owner of the TREKKER mark, which is registered in the Opposer's name with the Intellectual Property Office under Registration No. 4-1001001838 for goods in class 12, particularly: motor vehicles, namely, automobiles, trucks, vans. Sport-utility vehicles, and their structural parts and engines";

3. Respondent-Applicant's mark nearly resembles the Opposer's TREKKER 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 under foreign nationals under Section 3 of Republic Act No. 8293, which provides:

SECTION 3. International conventions and Reciprocity. – Any person who is a national or who is domiciled or has a real and 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 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. Both the Philippines and the United States are members of the Paris Convention for the Protection of Industrial Property (the "Paris convention");

5. The use by Respondent-Applicant of the TRAKKER mark on "heavy trucks" in class 12 and other goods that are similar, identical or closely related to goods that are produced by, and originate from, or are under the sponsorship of the Opposer, such as "motor vehicles, namely, automobiles, trucks, vans, sport-utility vehicles, and their structural parts and engines" in class 12 will mislead the purchasing public into believing that the Respondent-Applicant's goods are produced by, originate from, or under the sponsorship of the Opposer. Respondent-Applicant's use of the TRAKKER mark will constitute unfair competition and potential damage to the Opposer will be caused as a result of the Opposer's inability to control the quality of the products put on the market by the Respondent-Applicant under the TRAKKER mark;

6. The use by the Respondent-Applicant of the TRAKKER mark in relation to any goods identical, similar or closely related to the Opposer's goods will take unfair advantage of, dilute, diminish the distinctive the distinctive character or reputation of Opposer's TREKKER mark;

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

The Opposer relied on the following facts to support its contention on this Opposition:

"1. The Opposer is the owner of the mark, which has been registered in the name of Opposer with the Intellectual Property Office of the Philippines under Registration No. 4-1001-001838.

2. The Opposer has not consented to the Respondent-Applicant's use and registration of the TRAKKER mark or any other mark identical or similar to the Opposer's TREKKER mark.

3. The Opposer has been commercially using the TREKKER mark on motor vehicles sold and distributed in the Philippines since as early as March 2001, or prior to the filing date of the application subject of this opposition.

4. By reason of spelling, pronunciation and appearance, the Respondent-Applicant's TRAKKER mark is confusingly similar to the Opposer's TRAKKER mark.

5. The Opposer has not abandoned the TREKKER mark and continues to use in trade and commerce to use in trade and commerce in the Philippines."

On August 11, 2006, a Notice to Answer the Verified Notice of Opposition was served to the herein Respondent-Applicant. Despite several Motions for Extension of time to File Answer filed by Respondent-Applicant, it still failed to file the Answer. On February 5, 2007, Order No. 2007-230 was issued waiving Respondent-Applicant's right to file its Answer as well as supporting documents and directing Opposer to file Position Paper. In compliance with the said Order, Opposer filed its Position Paper on February 19, 2007 by registered mail. Hence, this decision.

The issue to be resolved in this case is: WHETHER OR NOT RESPONDENT-APPLICANT'S MARK "TRAKKER" FOR HEAVY TRUCKS CAN BE REGISTERED.

The applicable provision of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, Section 123.1 (d) provides:

“SEC. 123. *Registrability.* – 123.1 A mark cannot be registered if it:

x x x

(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;

Opposer in its Position Paper averred that the Respondent-Applicant’s mark “TRAKKER” is confusingly similar to its registered mark “TREKKER”. In support thereof, Opposer submitted as its evidence, the affidavit of Mark S. Sparchu (Exhibit “B”) and a certified true copy of Philippine Trademark Registration No. 4-1001-001838 issued in the name of Opposer for the mark “TREKKER” (Exhibit “C”). Opposer further argued that “the use by Respondent-Applicant of the TRAKKER mark for “heavy truck” under class 12, which is also covered by Opposer’s TREKKER registration would likely cause confusion of goods as well as confusion of business or origin”. Also, Opposer alleged that “the use by Respondent-Applicant of the TRAKKER mark in relation to any goods identical, similar or closely related to Opposer’s goods will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer’s TREKKER mark”.

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 the mark would likely cause confusion or mistake on the part of the buying public. The law does not require that the competing marks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the two marks is such that there is possibility of the older brand mistaking the newer brand for it.

Colorable imitation does not mean such similitude as amounts to identity. Nor does it require that all the details be literally copied. Colorable imitation refers to such similarity in form, content, words, sound, meaning, special arrangement, or general appearance of the trademark or tradename with that of the other mark or tradename in their over-all presentation or in their essential substantive and distinctive parts as would likely mislead or confuse persons in the ordinary course of purchasing the genuine article.

In the case of *Societe Des Produits Nestle vs. Court of Appeals*, the Supreme Court stated that:

“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 giving such attention as a purchaser usually gives, and to cause him to purchaser the one supposing it to be the other.”

In a long line of cases, the Supreme Court has relied on the dominancy test in determining whether a certain mark is confusingly similar to another trademark. Similarity in spelling, sound, pronunciation, connotation or meaning of the marks is taken into consideration. In the case of *Marvex Commercial Co. vs. Hawpia & Co.*, it was found that:

“[T]he trademarks “SALONPAS” and “LIONPAS” are confusingly similar in sound. Both these words have the same suffix, “PAS”, which is used to denote a

plaster that adheres to the body with curative powers. "PAS," being merely descriptive, furnishes no indication of the origin of the article and therefore is open for appropriation by anyone (*Etepha vs. Director of Patents*, L-20635, March 31, 1996) and may properly become the subject of a trademark by combination with another word or phrase.

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar and where goods are advertised over the radio, similarity in sound is of especial significance (*Co Tiong Sa vs. Director of Patents*, 95 Phil. 1, citing *Nims, The Law of Unfair Competition and Trademarks*, 4<sup>th</sup> ed., Vol. 2, pp. 678-679). "The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of the help of our eyes and must depend entirely on the ear" (*Operators, Inc. vs. Director of Patents*, supra). "SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient grounds for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties (see *Celanese Corporation of America vs. E.I. Du Pont*, 154 F. 2d. 146, 148)."

Again in another case, the High Court observed that:

"The similarity between the competing trademarks, DURAFLEX and DYNAFLEX, is apparent. Not only are the initial letters and the last half of the appellations identical, but the difference exists only in two out of the eight literal elements of the designations. Coupled with the fact that both marks cover insulated flexible wires under class 20."

Undoubtedly, the herein subject mark TRAKKER is almost identical to the Opposer's mark TREKKER in the sense that the letter "e" in the mark TREKKER was merely replaced with letter "a" to form the mark "TRAKKER". All other letters are the same such that when the competing marks are pronounced, both marks sound the same that you cannot distinguish one from the other, thus is confusingly similar. What is more, both trademarks cover the same goods, that is, motor vehicles such as trucks under class 12 of the international classification of goods. As such, both products flow through the same channels of trade, therefore, confusion between the two trademarks would likely result to prospective buyers.

Finally, we agree with Opposer in saying that Respondent-Applicant's failure to file its Answer to the Notice of Opposition despite proper notice shows that it has lost interest in pursuing the application, and therefore, the application for registration of the mark "TRAKKER" should be denied. Although under Office Order No. 79, S. 2005 providing for summary rules in inter partes case, an applicant cannot be declared in default for failure to file an answer, nevertheless it can still be deemed to have abandoned its application under the principle of laches. Section 230 of Republic Act No. 8293, states that: "in all inter partes proceedings in the Office under this Act, the equitable principle of laches, estoppel and acquiescence where applicable, may be considered and applied. The Supreme Court in numerous cases has defined laches as "the failure or exercising due diligence could or should have been done earlier; it is negligence or omission to assert a right within a reasonable time, warranting the presumption that the party entitled to assert it either has abandoned or declined to assert it." In the case at bar, despite the several extension of time given to Respondent-Applicant it still failed to submit its verified answer, thus, there is no other conclusion that we can think of other than they are no longer interested to pursue their application for registration of the mark. Respondent-Applicant is therefore deemed to have abandoned their application for registration of the mark "TRAKKER".

WHEREFORE, in the light of the foregoing, the Notice of Verified Opposition filed by Opposer, FORD MOTOR COMPANY against respondent-applicant IVECO S.P.A. is, as it is hereby SUSTAINED. Consequently, the trademark application for the registration of the mark

“TRAKKER” bearing Serial No. 4-2004-004079 filed on 5 May 2004 by respondent-applicant IVECO S.P.A. used for goods under Class 12 of the International Classification of goods is, as it is hereby, REJECTED.

Let the filewrapper of “TRAKKER” of the instant case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 1 March 2007.

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