

GALDE RMA S.A.
Opposer,

- versus -

IPC No. 14-2009-00042
Case Filed: 05 February 2009
Opposition to:
Appln. Serial No. 4-2008-002637
Date Filed: 05 March 2008
Trademark: "THIONAX"

REGINALD VERLIE I. BURILA,
Respondent-Applicant.
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Decision No. 2010-51

DECISION

SGALDERMA S.A. ("Opposer"), a corporation organized and existing under the laws of Switzerland, with business address at Zugerstrasse 8, 6330 CHAM, SUISSE (Switzerland), filed on 05 February 2009/ an opposition to Trademark Application Serial No. 4-2008-002637. The application, filed by Reginald Verlie I. Burila ("Respondent-Applicant"), with business address at 9307 Dungdu St., Brgy. San Antonio Village, Makati City on 05 March 2008/ covers the mark THIONAX for use on *whitening soap* under Class 05.¹

The Opposer alleges the following:

"1) Opposer is the first to adopt, use and register worldwide including the Philippines the marks 'IONAX', 'IONAX SCRUB', 'IONAX-RINSE' and 'IONAX-T' (*hereinafter collectively referred to as the 'IONAX' trademarks*) for goods falling under international class 3 and 5 such as bleaching preparations, soaps, etc. Therefore, it enjoys the right to exclude others from registering or using identical or confusingly similar marks such as Respondent-Applicant's trademark 'THIONAX' for whitening soap falling under international class 3 pursuant to Section 147 of Republic Act (R.A.) No. 8293.

"2) There is likelihood of confusing similarity between Opposer's 'IONAX' trademarks and Respondent-Applicant's trademark 'THIONAX' because Respondent-Applicant's trademark 'THIONAX' so resembles Opposer's 'IONAX' trademarks, as to likely, when applied to or used in connection with the goods of Respondent-Applicant, cause confusion, mistake and deception on the part of the purchasing public as being a trademark owned by the Opposer, hence, the Respondent-Applicant's 'THIONAX' trademark cannot be registered in the Philippines pursuant to the express provision of Section 147.2 of R.A. No. 8293. No doubt, the use of Respondent-Applicant's 'THIONAX' trademark for its products will indicate a connection between its products and those of the Opposer's.

"3) The Opposer's trademark 'IONAX' for bleaching preparations, soaps and other products under Classes 3 and 5 is well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, rather than the public at large, as being a trademark owned by the Opposer.

"4) Respondent-Applicant, in adopting 'THIONAX' for its goods, is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association with the Opposer, or as to origin, sponsorship, or approval of its goods and services by the Opposer, for which it is liable for false designation of origin, false description or representation under Section 169 of RA. No. 8293.

¹ 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.

“5) Respondent-Applicant’s appropriation and use of the trademark ‘THIONAX’ infringes upon the Opposer’s exclusive right to use as registered owner of its ‘IONAX’ trademarks, which is protected under RA. 8293 particularly Section 147 thereof.

“Opposer relies on the following facts to support its opposition, reserving the right to present other evidence to prove these facts and others as may appear necessary or expedient in the course of the proceedings:

“1) Opposer is the prior and exclusive owner of the ‘IONAX’ trademarks.

Opposer is the prior and exclusive owner of the ‘IONAX’ trademarks. It has adopted and used the ‘IONAX’ trademark in many countries around the world, including the Philippines. Specifically, the ‘IONAX’ trademark is registered in the Philippines under Registration No. 057523 issued on March 24, 1994 for goods such as bleaching preparations soaps, etc., falling under Classes 3 and 5, which is still valid and in force in the Philippines. A copy of the abovementioned Certificate of Registration is hereto attached as Exhibit ‘A’.

Further, Opposer’s first use of the ‘IONAX’ mark in commerce in the Philippines dates back in January 1974.

The trademarks ‘IONAX’ is also registered or applied for registration in Singapore, Japan, Switzerland, United Kingdom, Italy and other countries around the world long before the appropriation and filing of the application for registration of the mark ‘THIONAX’ by Respondent-Applicant. The list of Opposer’s registrations for its ‘IONAX’ marks in different countries worldwide are hereto attached as Exhibits ‘8’ series.

“2) There is likelihood of confusing similarity between Opposer’s ‘IONAX’ trademarks and Respondent-Applicant’s trademark ‘THIONAX’.

Respondent-Applicant’s trademark ‘THIONAX’ is confusingly similar to Opposer’s ‘IONAX’ trademarks in sound, spelling and appearance as to likely ~ cause confusion.

Respondent-Applicant’s trademark ‘THIONAX’ entirely contains Opposer’s trademark ‘IONAX’. Respondent-Applicant’s ‘THIONAX’ mark contains the entire word mark, ‘IONAX’, of Opposer. Thus, the prefix ‘TH’ in Respondent-Applicant’s ‘THIONAX’ trademark does not avoid the probability of confusion among consumers. This is especially so since the goods of Opposer and Respondent-Applicant are the same and are made available to the same consuming public and in the same channels of distribution. Respondent-Applicant’s trademark ‘THIONAX’ covers whitening soap under Class 3 while Opposer’s ‘IONAX’ trademark is also registered for goods under Classes 3 and 5 including bleaching preparations, soaps, etc.

“3) The Opposer’s trademarks ‘IONAX’ is internationally well-known.

The trademarks ‘IONAX’ which Opposer herein originated and adopted is internationally well-known.

The Opposer’s trademarks ‘IONAX’ has been used, promoted and advertised for a considerable duration of time and over wide geographical areas having been in use in several countries. Opposer has invested significant amount of resources in the promotion of its trademarks ‘IONAX’ worldwide and in the Philippines.

Representative samples of Opposer's promotional and advertising materials for its 'IONAX' marks are hereto attached as Exhibits 'C' series.

"4) The use of Respondent-Applicant's trademark JTHIONAX' would indicate a connection with the goods covered in Opposer's 'IONAX' marks, hence, the interests of the Opposer are likely to be damaged.

Respondent-Applicant's products, i.e., whitening soap, bearing the mark 'THIONAX' are clearly identical to Opposer's products, i.e., bleaching preparations, soaps, covered by its 'IONAX' trademarks. Undoubtedly, the use of Respondent-Applicant's trademark 'THIONAX' definitely misleads the public into believing that its goods originate from, or are licensed or sponsored by Opposer or that Respondent-Applicant is associated with or an affiliate of the Opposer.

Respondent-Applicant has appropriated the trademarks 'THIONAX' for the obvious purpose of capitalizing upon or riding on the valuable goodwill and popularity of the 'IONAX' trademarks which Opposer gained through tremendous effort and expense over a long period of time. This clearly constitutes an invasion of Opposer's intellectual property rights.

The use by Respondent-Applicant of 'THIONAX' will dilute the distinctiveness of Opposer's 'IONAX' trademarks.

The use, sale and distribution by the Respondent-Applicant of goods bearing the 'THIONAX' trademark is inflicting considerable damage to the interests of the Opposer. To allow Respondent-Applicant to register 'THIONAX' will constitute a mockery of our laws protecting intellectual property rights; it will legitimize its unfair and unlawful business practice.

"5) Enclosed are actual labels of Opposer's 'IONAX' marks and other evidence marked as Exhibits 'D' to 'E' which shall constitute as integral parts of this Opposition.

"6) Opposer reserves the right to present such other documents as may be necessary to prove the foregoing allegations in the course of the proceedings."

The Opposer submitted the following pieces of evidence in support of its opposition:

1. Exhibit "A" - Certificate of Registration No. 57523;
2. Exhibit "B" series - List of Opposer's registrations for its "IONAX" marks in different countries;
3. Exhibit "C" - series -Samples of Opposer's promotional and advertising materials for its "IONAX" marks; and
4. Exhibit "D" to "E" - Labels of Opposer's "IONAX" marks.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 04 March 2009. The Respondent-Applicant, however, did not file an Answer. Thus, Rule 2, Sec. 11 of the Regulations on Inter Partes Proceedings, as amended, provides:

Sec. 11. Effect of failure of to file Answer -In case the respondent fails to file an answer, or if the answer is filed out of time, the case shall be decided on the basis of the petition or opposition, the affidavits of the witnesses and the documentary evidence submitted by the petitioner or oppose.

The issues to be resolved in the instant Opposition case are the following:

1. Whether or not the Opposer's mark is a well-known mark;

2. Whether or not the Respondent-Applicant's trademark THIONAX is identical and/or confusingly similar to Opposer's IONAX trademarks; and
3. Whether or not Respondent-Applicant's trademark application should be granted.

On the first issue, Rule 102 of the Trademark Regulations sets forth the criteria for determining whether a mark is well-known, to wit:

Rule 102. *Criteria for determining whether a Mark is Well-known.* In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- a. the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- b. the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- c. the degree of the inherent or acquired distinction of the mark;
- d. the quality-image or reputation acquired by the mark;
- e. the extent to which the mark has been registered in the world;
- f. the exclusivity of registration attained by the mark in the world;
- g. the extent to which the mark has been used in the world;
- h. the exclusivity of use attained by the mark in the world;
- i. the commercial value attributed to the mark in the world;
- j. the record of successful protection of the rights in the mark;
- k. the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
- l. the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.

This Bureau noticed that the Opposer only submitted proof of the registration of its mark in the Philippines and in few other countries. These are insufficient as basis to declare the Opposer's mark as a well-known mark under the aforequoted rule.

On the second issue, the competing marks are reproduced below for comparison:

IONAX

Opposer's trademark

THIONAX

Respondent-Applicant's Mark

The only difference between the marks are the letters “TH”. When pronounced, the competing marks sound almost exactly the same. Obviously, the Respondent-Applicant’s mark is a colorable imitation of the Opposer’s mark. There was no ingenuity or originality on the part of the Respondent-Applicant in coining the mark THIONAX. What it did, or attempts, to make its mark appear different from IONAX is just to insert the letters “TH” before the word IONAX.

The Opposer’s mark IONAX is an invented word, created and appropriated by the Opposer for use on its goods. Thus, it is a unique and highly distinctive mark. It is highly improbable, therefore, that the Respondent-Applicant had been able to coin the mark THIONAX, for use on goods that are similar to the Opposer’s without having been inspired or motivated by a desire to copy, the Opposer’s mark. Thus, at any angle, the modification made by the Respondent-Applicant failed to confer a character on its mark that is distinct from the Opposer’s.

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 trade name in their over-all presentation or in their essential, substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.² Without a doubt, it is likely that the registration of the Respondent-Applicant’s mark would cause damage to the Opposer. The Respondent-Applicant’s products bearing the “THIONAX” marks will be associated to the Opposer because aside from the marks being so similar, the Respondent-Applicant’s application covers “*whitening soap*” under Class 03, which is similar or closely related to the goods covered by the Opposer’s trademark registration, No. 057523 issued on 24 March 1994, namely “*bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps, perfumery, essential oils, hair lotions; dentifrices;*” under Class 03 and “*medical, pharmaceutical and cosmetic preparations for use as an aid in the treatment of acne; dietetic substances for children and sick persons; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying weeds and vermin*” under Class 05.

Thus, and going now to the third issue, the Respondent-Applicant’s trademark application for THIONAX should not be registered. Sec. 123.1 (d) of the 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 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;

At the time the Respondent-Applicant filed her trademark application, another proprietor, the Opposer, had already filed an application and registered a similar mark for goods that are similar and/or closely related to the goods covered by the Respondent-Applicant’s application. Thus, the Respondent-Applicant’s application is proscribed by Sec. 123.1 (d) of the IP Code.

It is emphasized that 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.³

² Emerald Garment Manufacturing Corp. vs. Court of Appeals, G.R. No. 10098,251 SCRA, 29 December 1995.
³ Pribhdas J. Mirpuri v. Court of Appeals, G.R. NO.1 14508. 19 Nov. 1999.

The Respondent-Applicant's attempt to register a mark that is a colorable imitation of the Opposer's mark is anathema to the abovesited principles and rationale of the trademark registration system. Indeed, as held by the Supreme Court in *American Wire & Cable Co. vs. Director of Patents*:⁴

“Why of the million of terms and combination 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”

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Let the filewrapper of Trademark Application No. 4-2008002637 be returned together with a copy of this Decision to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Makati City, 29 July 2010.

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