

GROTTO S.p.A.,
Opposer,

- versus-

JASON S. SO,
Respondent-Applicant.

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IPC No. 14-2009-00088
Opposition to:

Application Serial No. 4-2008-012543
Filing Date: 15 October 2008
TM: "ETHNIC GAS ZERO AND DEVICE"

Decision No. 2010-48

DECISION

Grotto SpA. ("Opposer"), a corporation organized and existing under the laws of Italy, with address at Via Ponte Dei Granatieri Chiuppano (Vicenza), Italy, filed on 23 March 2009 an opposition to Trademark Application Serial No. 4-2008-012543. The application, filed by Jason S. So ("Respondent-Applicant"), with business address at No. 1342 S.M. Guerrero St., Tondo, Manila, on 15 October 2008, covers the mark ETHNIC GAS ZERO AND DEVICE for use on "jeans, T-shirts, polo shirts, jackets, shirts, pants, shorts, blouses, jogging pants, briefs, socks" under Class 25¹.

The Opposer alleges the following:

"The mark ETHNIC GAS ZERO AND DEVICE which Respondent-Applicant seek to register so resembles Opposer's registered trademark GAS which when applied to or used in connection with the goods covered by the application under opposition will likely cause confusion, mistake and deception on the part of the purchasing public.

"The registration of the mark ETHNIC GAS ZERO AND DEVICE in the name of the Respondent-Applicant will violate Section 123 (d) of Republic Act 8293 (Intellectual Property Code) which categorically provides that

X X X

"Thus, any mark which is identical with a previously registered trademark should be denied registration in respect of similar or related goods, or if the mark applied for (sic) registered trademark that confusion or deception in the mind of the buying public will likely result.

"Respondent-Applicant's use and registration of the mark ETHNIC GAS ZERO AND DEVICE will diminish the distinctiveness and dilute the goodwill of Opposer's registered trademark GAS."

The Opposer's evidence consists of the following:

1. Labels of the Opposer's Mark;
2. Legalized Special Power of Attorney; and
3. Affidavit of Giusseppe Grotto and Franco Andrea Scarpetti.

¹ The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multi-lateral 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.

This Bureau issued a Notice to Answer which was served upon the Respondent-Applicant on 20 April 2009. The Respondent-Applicant filed his Answer on 21 July 2009, alleging, among other things, the following:

“Even prior to the filing of Trademark Application No. 4-2008-012543 on October 15, 2008 for the mark ETHNIC GAS ZERO & DEVICE with the Intellectual Property Office under Class 25, the Respondent-Applicant had already been engaged in the manufacture and retail of T-Shirts, polo shirts, jackets, blouse, pants, shorts, shirts, jogging pants, briefs and socks. The Respondent-Applicant has been using the trademark ETHNIC GAS & ZERO DEVICE in commerce since March 2008 on the aforesaid products up to the present.

“7. Respondent-Applicant’s products bearing the mark ETHNIC GAS ZERO DEVICE are sold / distributed to various commercial establishments in the Philippines, namely:

- a. MEGAWIN, 799 Ilaya St., Divine Mart, Stall 120, Tondo, Manila
- b. SHOPPER Central, Climaco Avenue., Zamboanga City
- c. BESTMART, National Guard St., Zamboanga City
- d. YOUNGMART, Climaco Avenue, Zamboanga City

“8. At the onset, Respondent-Applicant never made any representations to the public that his products are derived from or are related to the Opposer. Respondent-Applicant has made it known to the public that his products are locally made and are in no way related to any goods coming from other countries or abroad. With these representations, the purchasing public has come to know, rely upon and recognize the quality of Respondent-Applicant’s products.

“9. It is humbly submitted that even the possibility of mistaken association in the minds of the purchasing public regarding the Opposer’s products vis-a-vis Respondent-Applicant’s products is very impossible. First of all, Opposer’s products are far more expensive compared to the goods sold by Respondent-Applicant. Secondly, Opposer’s products bore labels stating that such goods are made abroad, whereas, Respondent-Applicant’s products were locally made. Even the establishments selling or distributing the products of the opposing parties are different. As shown by Opposer’s evidence, its goods under Class 25 can be purchased exclusively at popular department stores in the Philippines while, Respondent-Applicant’s T-shirts and polo shirts bearing the mark ETHNIC GAS ZERO & DEVICE are sold and distributed in a few small and medium sized establishments in Manila and the provinces.”

The Respondent-Applicant’s evidence consists of labels and tags, marked as Exhibits “1” and “2” and various sales orders marked as Exhibits “3” to “16”.

Should the Opposition to Application Serial No. 4-2008-012543 be sustained?

Section 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”) states that a mark cannot be registered if it:

“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;”

It is emphasized that 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 all 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 product².

Records and evidence show that at the time the Respondent-Applicant filed his trademark application on 15 October 2008, the Opposer has existing registrations for the mark BLUE JEANS GAS (A DEVICE MARK)³, issued on 30 July 2005, covering trousers, jackets, jeans, shirts and blouses, skirts, waistcoats, jerseys, sweaters, coats, topcoats, blousons, overcoats, raincoats, anoraks, stockings, stocks, footwear, boots, slippers; and for the mark GAS⁴, issued on 10 November 1997, for use on "gas t-shirts". The Opposer's goods are similar and/or closely related to the goods on which the Respondent-Applicant will use the mark he applied for registration.

The question is: Do the competing marks as shown below resemble each other that confusion and deception is likely to occur?



Opposer's mark



Respondent's mark

In coining his trademark, the Respondent-Applicant appropriated the Opposer's mark GAS and the word GAS in the Opposer's mark BLUE ~IEANS GAS. The word GAS, in the Respondent-Applicant's mark, however, is printed prominently. Considering that the Respondent-Applicant will use the mark on goods similar to the Opposer, it is likely that the consumers would assume that the Respondent-Applicant's goods originate, come from or are associated with or to the Opposer. The consumer is also likely to think that the Respondent-Applicant's mark is just a variation of the Opposer's.

The Respondent-Applicant's mark is obviously a colorable imitation of the Opposer's marks. GAS as a trademark for clothing is highly distinctive. In fact, it is a highly unusual brand for such kind of goods. This, and the fact that the parties are in the same trade, industry or business, makes it unlikely for the Respondent-Applicant to come up with a mark that features prominently the word GAS, without having been inspired or motivated to copy the Opposer's marks. Evidence show that the mark GAS has been used in the Philippines as early as February 1995 as indicated in the Affidavit of Use required for the maintenance of the registration. The Opposer also submitted as proof of use purchase orders from various establishments such as Star Magic, Inc. (ABS-GBN), United Asia, Ever Center invariably dated in 1995 and 2001. The Opposer also presented delivery receipts dated in 2001 and 1999 as well as portions of write ups and articles in the Philippine Star.⁵

This Bureau finds the Respondent-Applicant's argument that he can cause no irreparable harm to the Opposer because he has never made any representations to the public that its

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

3 Certificate of Registration No. 4-1998-002962.

4 Certificate of Registration No. 65316.

5 Legalized Affidavit of Giuseppe Grotto and Franco Andrea Scarpetti.

goods come from any other source and are locally made, and that its goods are marketed in small and medium-sized establishments in Manila and the provinces while Opposer's goods are far more expensive and are sold exclusively in popular department stores, untenable. The Supreme Court in *McDonald's Corporation v. L.C. Big Mak, Inc.*⁶ held:

"The registered trademark owner may use his mark on the same or similar products, in different segments of the market, and at different price levels depending on variations of the products for specific segments of the market. The Court has recognized that the registered trademark owner enjoys protection in product and market areas that are the normal potential expansion of his business."

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Let the filewrapper of the Trademark Application No.4-2008-012543 be returned together with a copy of this Decision to the Bureau of Trademarks for information and appropriate action.

SO ORDERED

Makati City, 02 July 2010.

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

6 G.R. No. 143993. August 18, 2004.