

HENKEL AG & GO. KGaA
Opposer,

- versus -

MACROSERVE PTE. LTD,
Respondent-Applicant.
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IPC No. 14-2009-00198
Opposition to:

Appln. Serial No. 4-2008-012229
Date Filed: 07 October 2008
TM: ROYALE

Decision No. 2010-75

DECISION

Henkel AG & CO KGaA (“Opposer”), a corporation organized and existing under the Jaws of Germany, with principal address at Henkelstrasse 67, D-40589 Dusseldorf, Federal Republic of Germany, filed on 03 August 2009 an opposition to Trademark Application Serial No. 4-2008-012229.¹ The application, filed by MACROSERVE PTE. LTD (“Respondent-Applicant”), with address at Blk. 211 Henderson Road, No. 10-03 Henderson Industrial Park, Singapore, covers the goods Hair and Body Care products namely hair shampoo, lotion, non-medicated skin care preparations under Class 3 of the International classification of goods.²

The Opposer alleges the following:

“1) Under existing law, rules, and jurisprudence, the mark ROYALE should not be registered by this Honorable Office because the registration of said mark is contrary to Section 123.1 (d) of the Intellectual Property Code, which prohibits the registration of a mark that:

(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 ;

“2) The Respondent-Applicant’s ROYALE mark is confusingly similar to Opposer’s registered mark, in that:

12.1.1.1 Both are purely word marks.

12.1.1.2 Both marks contain exactly the same word, namely the word “ROYAL”.

12.1.1.3 Both marks are used for goods belonging to the same class.

12.1.2 Both marks are even used on identical products, i.e., hair and body care products.

“3) The Respondent-Applicant’s selection of the mark ROYALE may take advantage of the nationwide reputation of the Opposer that the Opposer gained by ingenious and persistent marketing and expenditure of large sums of money therefore. The Registration of the Respondent-Applicant’s mark and later use in commerce in the Philippines will likely confuse and mislead or deceive the trade and members of the public in suggesting to them that the Respondent-Applicant’s product are those being sold or approved by the Opposer.

¹ The application was published in IPO E-Gazette and released on April 3, 2009.

² The Nice Classification is a classification of goods and services for the purpose of registering trademarks and servicemarks, based on a multilateral 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.

“4) Furthermore, the use and registration of the Respondent-Applicant’s mark ROYALE will dilute the distinctive character of the Opposer’s valuable registered mark IGORA ROYAL.

“5) The Respondent-Applicant seeks to register the mark ROYALE which is confusingly similar to Opposer’s mark IGORA ROYAL, as to be likely, when applied to the goods of the Respondent-Applicant, to cause confusion, mistake or deception on the public as to the source and will inevitably falsely suggest a trade connection between the Opposer and the Respondent-Applicant knowingly chose to use a similar mark to that of the Opposer’s mark on products that flow through the same channels of trade as those of the Opposer’s. For the above reasons, the Opposer will surely be damaged by the registration of the mark ROYALE.

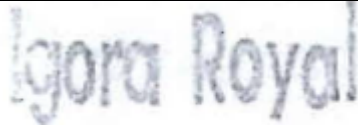



The Opposer’s evidence consists of the following:

1. Annex “A” - Copy of the notarial certificate dated 21st July 2009 by Mardomel Celo D. Melicor;
2. Annex “B” - List of countries where IGORA Royal mark is registered or has pending trademark application;
3. Annex “C” - Copies of registration certificates obtained by the Opposer for the mark IGORA ROYAL;
4. Annex “D” and “E” - Certified copies of certificates of registration issued by the IPO to Registrant HANS SCHWARZKOPF & HENKEL GMBH & CO., KG for the mark IGORA ROYAL;
5. Annex “F” - Copy of Declaration of Actual Use executed on 30th day of August 2006 for the mark IGORA ROYAL filed on 13 September 1996 by Cesar C. Cruz;
6. Annex “G” - Copy of Declaration of Actual Use executed on 18th day of December 2008 for the mark IGORA ROYAL filed on 04 March 2009 by Leslie Anne T. Cruz;
7. Annex “H” - Copies of advertising materials used in the promotion of the mark IGORA ROYAL;
8. Annex “I” - Evidence of product promotional activities for the mark IGORA ROYAL by Top Style Marketing, Inc., Hair Asia and Essential Looks Look;
9. Annex “J” - List of the places where the Opposer’s mark IGORA ROYAL products are being sold to the public;
10. Annex “K” - Affidavit of Ms. Evangeline C. Bumagat, the marketing manager of Top Style Marketing, Inc. executed on 28th July 2009;
11. Annex “L” - Certificate of authentication dated 21st July 2009 by Mardomel Celo D. Melicor attached thereto the Affidavits of Heinz Nicolas and Joachim Renner; and
12. Annex “M” - Special Power of Attorney.

The Respondent-Applicant filed its Verified Answer on 18 January 2010, wherein it alleges the following, among other things:

"1) The Respondent-Applicant's mark ROYALE is entirely different from the Opposer's mark IGORA ROYAL visually, phonetically and conceptually. Visually and conceptually, the Opposer's mark is composed of 2 words IGORA and ROYAL, the dominant portion of which is clearly the word IGORA which does not appear in the Respondent-Applicant's mark. When the Opposer's mark is pronounced, the emphasis is also on the first word IGORA which does not appear in the Respondent-Applicant's mark.

"2) A search with the Intellectual Property Office (IPO) online trademark database reveals the following marks owned by the Opposer. A website printout of the search results is attached as Annex 4 hereof. This data only shows that the dominant and more important portion of the Opposer's group of marks is IGORA as follows:

	0 61696 Class 3
	4-2004-008424 Classes 3, 21 and 4 2
	4-2006-002226 Classes 3, 21 and 42
	4-1998-009075 Class 3

"3) The designs of the marks as actually used in commerce are also entirely different. The Respondent-Applicant's mark incorporates a distinctive design whereas the Opposer's mark uses a plain word mark which makes the difference of the marks all the more apparent. A side-by-side comparison of the marks as used is shown below:

"4) Respondent-Applicant asserts that confusing similarity should be measured by how the marks are actually used and appear in the marketplace, given the fundamental principle in trademark law that trademarks are for protection of consumers who should be able to distinguish between trademarks in the marketplace. As the marks also appear very differently in the marketplace, confusion is highly unlikely.

"5) The goods covered by the marks are also sold in different channels of trade. The Opposer's goods are exclusively sold in salons whereas the Respondent-Applicant's goods are exclusively sold through its multi-level marketing with a unique system inherent to the Respondent-Applicant. The Respondent-Applicant's goods are sold by means of a discussion and education on the benefits of the products by its partners with the use of a brochure containing a detailed description and explanation of the products. Attached as Annex 5 are marketing brochures used in selling the Respondent-Applicant's goods.

"6) The situation that the goods may be placed side-by-side in display areas in the marketplace such that the consumers will confuse the Respondent-Applicant's goods with that of the Opposers' goods is unlikely if not impossible. The sale of the Respondent-Applicant's goods under unique circumstances therefore contradicts the likelihood of confusion claimed by the Opposer.

"7) Not only are the goods sold in different channels of trade, the Opposer's and Respondent-Applicant's goods also possess entirely different characteristics. The Opposer's goods are ordinary hair care products whereas the Respondent-Applicant's goods are organic

products made of special ingredients from beehive derivatives, namely propolis, which is exclusively attributable to the Respondent-Applicant. The Respondent-Applicant's goods are more on the organic products for health and wellbeing whereas the Opposer's products are for cosmetics and aesthetics.

"8) Respondent-Applicant uses the ROYALE mark in the Philippines and worldwide for organic and bee-hive based products such as lotion, shower gel and shampoo whereas the Opposer uses IGORA ROYALE in connection with hair coloring agents and for perfumes, body and beauty care agents, i.e., hair colouring agents. It is noted that there is no list of goods as actually used is attached in the Declaration of Actual Use (DAU) for IGORA ROYALE with Registration No. 4-2006-002226 (Annex G of the Opposition). The goods are entirely different from each other and are used by different segments of consumers. The Opposer's hair coloring goods are basically used by professionals in the salon business and for this reason they are sold in salons only, whereas the Respondent-Applicant's goods are used by households.

"9) The Respondent-Applicant has extensively promoted and sold the ROYALE branded products in the Philippines and worldwide as its own, consistent with fundamental trademark principles that a trademark, like Respondent-Applicant's ROYALE, is a badge of origin. All the advertising materials used by the Respondent in the Philippines and worldwide visibly show the HDI Group's logo. Clearly, there is no way for consumers to make a connection or association between Respondent-Applicant's ROYALE mark and Opposer's IGORA ROYAL. More importantly, Respondent-Applicant has not received any complaints or reports of consumer confusion and the Opposer has not offered any evidence of confusion among consumers.

"10) The Respondent-Applicant is serious in the promotion of its products and employs intensive advertising campaigns. In the Philippines alone, the annual advertising spent for its products are about U5050, 000 in 2008.

"11) Therefore, aside from the obvious distinctions in the marks themselves, confusion is rendered more remote and highly unlikely given the unique circumstances where the goods are sold, the distinct nature and characteristics of the goods and the advertisement and promotion of the goods.

The Respondent-Applicant's evidence consists of the following:

1. Exhibit "1" - Verified Answer;
2. Exhibit "2" - Special Power of Attorney confirming the appointment of Claire B. Corral as counsel for Respondent-Applicant (Annex "1" of the Verified Answer);
3. Exhibit "3" - An Affidavit of the Respondent-Applicant's Director, Mr. Chia Tzu Chern (The "Chern Affidavit"), detailing the history, goodwill and reputation, worldwide use and advertisement of its mark IGORA ROYALE (Annex "2" of the Verified Answer);
4. Exhibit "4" - Website printout from www.hdinetwork.com detailing the Opposer's background and history (Annex "1" of the Chern Affidavit);
5. Exhibit "5" - Website printout of a list of companies forming the HDI Group as well as the description of the companies (Annex "2" of the Chern Affidavit);
6. Exhibit "6" - Website printout from www.hdinetwork.com detailing the HDI Group's current offices and workforce (Annex "3" of the Chern Affidavit);

7. Exhibit "7" - Brochure of the HDI Group detailing the HOI Group's current offices and workforce (Annex "4" of the Chern Affidavit);
8. Exhibit "8" - Website printout detailing HOI Group's profile (Annex "5" of the Chern Affidavit);
9. Exhibit "9" - Sample marketing plan used by the Opposer worldwide (Annex "6" of the Chern Affidavit);
10. Exhibit "10" - Brochure showing the recognitions received by the Opposer's products in Indonesia, Malaysia and the Philippines (Annex "7" of the Chern Affidavit);
11. Exhibit "11" - List of Opposer's products sold worldwide (Annex "8" of the Chern Affidavit);
12. Exhibit "12" - Website printouts of ROYALE product information used worldwide (Annex "9" of the Chern Affidavit);
13. Exhibit "14" - Sample flyers of ROYALE used in the Philippines (Annex "10" of the Chern Affidavit);
14. Exhibit "15" - Sales report of ROYALE in Malaysia, Philippines, Hong Kong and Indonesia since 2005 (Annex "11" of the Chern Affidavit);
15. Exhibit "16" - Sample advertising materials for ROYALE worldwide (Annex "12" of the Chern Affidavit);
16. Exhibit "17" - Report of advertising and promotion figures in the Philippines (Annex "13" of the Chern Affidavit);
17. Exhibit "18" - Certified and legalized copy of appointment showing PT Harmonik Oinamik Indonesia as the exclusive distributor of the Opposer in Indonesia;
18. Exhibit "19" - Original certified true copy of ROYALE with Registration No. IDM000007435 (Annex "14" of the Chern Affidavit);
19. Exhibit "20" - Original certified true copy of ROYALE with Registration No. IDM000007434 (Annex "14" of the Chern Affidavit);
20. Exhibit "21" - Original certified true copy of ROYALE with Registration No. IDM000007449 (Annex "14" of the Chern Affidavit);
21. Exhibit "22" - Affidavit of Ms. Jocelyn Evora, Operations Manager of HDI Network Philippines, Inc., the exclusive distributor of the Respondent-Applicant in the Philippines, detailing the history, use and advertisement of ROYALE in the Philippines (Annex "3" of the Verified Answer);

- 22. Exhibit "23" - Copy of HDI Network Phil's., Inc.'s registration with the Securities and Exchange Commission (Annex "1" of the Evora Affidavit);
- 23. Exhibit "24" - Brochure showing the history of HOI Philippines (Annex "2" of the Evora Affidavit);
- 24. Exhibit "25" - Copy of the CAR.E. Plan (Annex "3" of the Evora Affidavit);
- 25. Exhibit "26" - Marketing brochure used in the Philippines (Annex "4" of the Evora Affidavit);
- 26. Exhibit "27" - Flyer for ROYALE shampoo used in the Philippines (Annex "5" of the Evora Affidavit);
- 27. Exhibit "28" - Flyer for ROYALE shampoo used in the Philippines (Annex "6" of the Evora Affidavit);
- 28. Exhibit "29" - Flyer for ROYALE shampoo used in the Philippines (Annex "7" of the Evora Affidavit);
- 29. Exhibit "30" - Samples of advertising materials in the Philippines (Annex "8" of the Evora Affidavit);
- 30. Exhibit "31" - Pictures of a promotional event for HDI products (Annexes "9" to "9.1" of the Evora Affidavit);
- 31. Exhibit "32" - Yearly advertisement report in the Philippines from 2005 to 2008 (Annex "10" of the Evora Affidavit);
- 32. Exhibit "33" - Website printout of the search results for Opposer's IGORA marks in the IPO online database (Annex "4" of the Verified Answer);

Should the Respondent-Applicant be allowed to register the mark ROYALE?

It is emphasized that the essence of trademark registration is to give protection to the answers of trademarks. A trademark means any visible sign capable of distinguishing the goods of an enterprise. 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 products (Pribhdas J. Mirpuri v. Court of Appeals, Director of Patents and Barbizon Corporation, G.R. No. 114508, 19 November 1999)

Thus, Sec. 123.1 (d) Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") states that a mark cannot be registered if it:

(d) Is identical with a registered mark belonging to a different proprietor or mark with an earlier filing or priority date, in respect of:

- (i) The same goods or service or
- (ii) Closely related goods or service or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

Records show that at the time that Respondent-Applicant filed its trademark Application on 07 October 2008, the Opposer had already obtained trademark registration for the mark IGORA ROYAL, under Reg. No. 61696 issued on 26 September 1995.

Also, the Respondent-Applicant's trademark application covers hair and body care products which are similar or closely related to the products covered by the Opposer's trademark registrations, particularly, perfumes, body and beauty care agents, hair coloring, soaps, perfumery, essential oils, hair preparations for caring also . The Supreme Court in ESSO Standard Eastern, Inc. v. Court of Appeal et al., held:

“Goods are related when they belong to the same class or have the same attributes or essential characteristics with reference to their form, composition, textures or quality. They may also be related because they serve the same purpose or are sold in grocery stores. x x x”³

Thus, the issue to be resolved is whether the competing trademarks resemble each other that confusion or deception is likely to occur.

The feature or characteristic of the Respondent-Applicant's mark that immediately draws attention, visually and aurally, is the word “ROYALE”. This feature or word constitutes one element of the Opposer's registered mark. Although the Respondent-Applicant's mark has the last letter “E”, still it looks and sounds identical to the word “ROYAL”. In this regard, while the Opposer's mark is composed of two words -”IGORA” and “ROYAL”, what appeals to the consumers is not only the word IGORA but ROYAL as well.

Considering therefore, that the marks are used on similar or closely related goods or products, the consumers will likely be confused, if not deceived, as to the goods themselves and/or as to the origin or source thereof. The similarity in the general appearance and pronunciation of the competing marks evidently creates a likelihood of confusion, not only to the confusion of goods but as to reputation if the public could reasonably assume that the goods of the parties originated from the same source.⁴ The law does not require actual confusion, it being sufficient that confusion is likely to occur.⁵

Thus, this Bureau holds that Trademark Application Serial No. 4-2008-012229 is proscribed/barred by Sec. 123.1 (d] of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-2008-012229 together with a copy of this Decision be returned to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 24 November 2010.

Atty. NATHANIEL S. AREVALO
Director
Bureau of Legal Affairs

³ G.R. No. L-29971, August 31, 1982.

⁴ Converse Rubber Corp. v. Universal Rubber Products (G.R.No.L.27906Jan.8, 1987.

⁵ Philips Export B.V. et al v. Court of Appeals et al. G.R. No. 96161Feb.21, 1992.