

HILTI AKTIEGESSELLSCHAFT,	}	IPC No. 14-2005-00132
<i>Opposer,</i>	}	Opposition to:
	}	
- <i>versus-</i>	}	Appln. Serial No. : 4-2003-006365
	}	Date Filed : 17 July 2003
	}	Trademark : "ULTI in Stylized Form"
	}	
CLIPSAL ASIA LTD.,	}	
<i>Respondent-Applicant.</i>	}	Decision No. 2007-08
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## DECISION

This pertains to the opposition for the registration of the mark "ULTI in Stylized Form" bearing Application No. 4-2003-006365 filed on July 17, 2003 for the goods falling under class 9 of the International Classification of Goods, which application was published for opposition in the Intellectual Property Philippines (IPP) E-Gazette officially released on July 25, 2005.

The Opposer in the instant proceedings is "HILTI AKTIEGESSELLSCHAFT" a corporation organized and existing under the laws of Liechtenstein, with address at FL-9494 Schaan, Fürstentum, Liechtenstein.

On the other hand, the Respondent-Applicant-Assignee is "CLIPSAL ASIA LTD.," of 1<sup>st</sup> Floor, Kam Bun Industrial Building, 13-19 Kwai Wing Road, Kwai Chung, New Territories, Hong Kong.

The grounds for the opposition are the following:

- "1. The registration of the trademark "ULTI in Stylized Form" in favor of the Respondent-Applicant violates Section 123.1 (d), (e) and (f) of Republic Act No. 8293, as amended which states that:

*"Sec. 123. Registrability. – 123.1. 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 date, in respect of:*
  - (i) The same goods or services; or*
  - (ii) Closely related goods or services; or*
  - (iii) If nearly resembles such mark as to be likely to deceive or cause confusion;*
  
- (e) Is identical with, or confusingly similar to, or constitute a translation of a mark which is considered by the competent authority if the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration and used for identical or similar goods or services: Provided, that in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark*
  
- (f) Is identical with, or confusingly similar to, or constitute a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not*

*similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use;”*

- “2. The Opposer is the owner of the mark “HILTI”, which has been registered with the Intellectual Property Philippines (IPP) since 25 February 1972 for several classes. Listed below are the details and particulars of Opposer’s Philippine trademark registration and application for registration covering the “HILTI” mark.

Trademark	Registration Number	Date Issued/Renewed	Classification of Goods and Services
HILTI	R-17297	February 25, 1972, February 25, 1992 (dated renewed)	15,16,20,24 and 26

Trademark	Application Number	Date Filed	Classification of Goods and Services
HILTI and Device	4-1999-009386	December 03, 1999	08,09,13,17 and 37

- “3. Opposer exclusively owns and continuously uses its mark “HILTI” for goods such as “Power, especially explosive actuated tools, especially bolt and nail driving devices, explosive charges for such tools, anchoring elements, nails, bolts, drills, drilling bits, plugs, dowels, especially for mounting screws and other expanding elements” covered by trademark Registration Certificate no. R-17297; and “Measuring signaling, inspecting, aligning, positioning, detecting and controlling tool and instruments on an electric, electronic magnetic, optical and/or laser basis, including accessories, such as stands, holders, viewfinders and beam finders” all belonging to International Class 09, covered by trademark Application No. 4-1999-009386 for “HILTI and Device”.

- “4. Respondent-Applicant’s mark is applied for goods such as “ELECTRICAL APPARATUS AND INSTRUMENTS; ELECTRICSWITCHES; REMOTE CONTROL SWITCHES; SOCKETS; PLUGS; ADOPTORS; FUSES; FUSE LINKS; ELECTRICAL CONNECTORS; INFRARED SWITCHES; ABTTERIES; BATTERY CHRAGERS LIGHT EMITTED DIODE DISPLAYS, ELECTRONIC BILLBOARDS, APPARATUS FOR RECRODING, TRANSMISSION OR REPRODUCTION OF SOUND OR IMAGES; SPEAKERS; ELECTRICAL CABLES”, which goods are closely related to Opposer’s goods under Registration No. R-17297 and belonging to the same class 09 in connection with Opposer’s trademark Application No. 4-1999-009386. Verily, the use by Respondent-Applicant of the “ULTI in Stylized Form” mark for the goods covered by the application subject of this opposition will likely confuse and/or mislead the purchasing public to the mark’s identity and origin. More importantly, an examination and comparison of the formal drawings of the contesting marks would reveal that the reason of over-all appearance, spelling and pronunciation, Respondent-Applicant’s “ULTI in Stylized Form” is

confusingly similar to the Opposer's "HILTI" and "HILTI and Device" marks. The certified true copies of trademark Registration Certificate No. R-17297 and trademark Application No. 4-1999-009386, showing the representations of the mark are attached as Annex "A" and "B", respectively. Thus, the registration of Respondent-Applicant's mark will be contrary to Sec. 123.1 (d) of Republic Act No. 8293. Concomitantly, considering that the "HILTI" and "HILTI and Device" marks are well-known and world famous, the registration of Respondent-Applicant's "ULTI in Stylized Form" will constitute a violation of Section 123.1 (e) and (f) of Republic Act No. 8293.

- "5. Opposer has exclusive proprietary right to the mark "HILTI" for goods covered by R-17297 and "HILTI and Device" FOR GOODS IN class 09 having the right and advantage of being the first filer and prior user of the marks.
- "6. Allowing the registration and use of the "ULTI in Stylized Form" mark by Respondent-Applicant in this case, will not only cause confusion among the buyers but would also diminish and dilute the distinctiveness and identity of the Opposer's mark which have been established in the local and worldwide market by the Opposer at great effort and expense.
- "7. The registration of the "ULTI in Stylized Form" mark of the Respondent-Applicant will surely cause damages and irreparable injury to the distinctiveness and strength of the Opposer's mark, and the goodwill it has engendered with the buying public, within the meaning of adopted n Section 134 of Republic Act No. 8293.

The issues to be resolved in the instant case is:

WHETHER OR NOT THE RESPONDENT-APPLICANT'S MARK  
"ULTI IN STYLIZED FORM" IS CONFUSINGLY SIMILAR TO  
OPPOSER'S "HILTI" MARK AND WHETHER RESPONDENT-  
APPLICANT IS ENTITLED TO THE REGISTRATION OF THE SAID  
MARK.

The Opposer presented in evidence the following:

Annex "A" – Certificate of Registration No. R-17297 for the mark "HILTI", renewed for a term of twenty (20) years from February 25, 1992.

Annex "B" – Pending trademark application of HILTI AKTIENGESSELSCHAFT for the mark "HILTI and Device" bearing No. 4-1999-09386 filed with the Intellectual Property Philippines (IPP) on December 3, 1999 covering the goods falling under classes 1, 6, 7, 8, 9, 13, 17 and 37 of the International Classification of goods.

Annex "C" – Details of HILTI mark worldwide consisting of twenty (20) pages.

On the other hand, Respondent-Applicant did not submit any evidence in support of its trademark application subject of the instant opposition and in fact it failed to submit its verified answer (Order No. 2006-1164 dated 09 August 2006).

Section 134 of the Intellectual Property Code of the Philippines provides:

“Section 134. *Opposition* – any person who believes that he would be damaged by the registration of a mark may, upon payment of the required fee and within thirty (30) days after the publication referred to in subsection 133.2, may file the Office (Bureau of Legal Affairs) an opposition to the application. Such opposition shall be in writing and verified by the Opposer or by any person on his behalf who knows that facts and shall specify the grounds on which it is based and include a statement of the facts relied upon. Copies of certificates of registration of the mark registered in other countries or other supporting documents mentioned in the opposition shall be filed therewith, together with the translation in English, if not in the English language for good cause shown and upon payment of the required surcharge, the time for filing and upon payment of the required surcharge, the time for filing an opposition may be extended by the Director of the Bureau of Legal Affairs (BLA), who shall notify the applicant of such extension. The Regulations shall fix the maximum period of time within which to file the opposition.

Based on the above-quoted provisions and other related provisions of both the old trademark law (republic Act No. 166, as amended) and the present (Intellectual Property Code of the Philippines, Republic Act No. 8293) as well as the evidence presented, the issue should be resolved in the affirmative in favor of the Opposer.

A side-by-side comparison of the Opposer’s trademark bearing Registration No. 17297 and the trademark of the Respondent-Applicant bearing Application No. 4-1999-009386 would easily show that “ULTI” is blatantly, a colorable imitation of “HILTI”. It is observed that the letter “U” as contained in Respondent-Applicant’s mark is manipulated in such a way as to create the effect that a letter “I” is present of which Opposer’s mark has it.

Further observation reveals that the letters “L”, “T” and “I” both are present in the contending marks are written / illustrated exactly the same.

Both Opposer’s “HILTI” as well as Respondent-Applicant’s “ULTI” marks are shown hereunder for comparison:



Opposer



Respondent-Applicant

By a glance of the competing marks through the naked eye, it is very difficult to identify their distinction. It would appear that the Respondent-Applicant is taking advantage of the goodwill of the Opposer’s mark being a registered mark. There is still the unanswered puzzle as to why an inspiring commercial enterprise, given the infinite choices available to it of names for intended product, would select a trademark or tradename which somewhat resembles an existing emblem that had established goodwill.

“When one applied for the registration of a trademark or label which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user of a previously registered label or trademark, this is not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill.”  
(Chuanchow Soy & Canning Co., vs. Director of Patents and Villapanta, 108 Phil. 833, 836.)

In totality, it is concluded that the mark of the Respondent-Applicant is confusingly similar to that of the Opposer's mark. It cannot be denied that there is slight distinction between the contending marks but such distinction is insignificant to avoid the conclusion that there is indeed confusing similarity between the Opposer's and Respondent-Applicant's marks.

Another point taken into consideration is the fact that Opposer's mark is registered with the Intellectual Property Philippines (IPP) for products which are closely related or under the same class with that of the Respondent-Applicant's products, (class 9 of the International Classification of goods) hence they flow through the same channels of trade so that the consuming public would be confused as to its source or origin.

In the case of "Co Tiong Sa vs. Director of Patents" Saw woo Chiong & Co. [G.R. No. L-5378, May 24, 1954], the Supreme Court stated:

"Differences or variations in the details of one trademark and of another are not the legally accepted test of similarity in trademarks. The question of infringement of trademark is to be determined by the test of dominancy. Similarity in size, form and color, while relevant is not conclusive. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate. There is infringement of trademark when the use of the marks involved would be likely to cause confusion or mistake in the mind of the public or to deceive purchasers."

In another case, "Etepha A.G. vs. Director of Patents and Westmont Pharmaceuticals, Inc., [G.R. No. L-20635, March 31, 1966] the Supreme Court ruled:

"The objects of a trademark are to point out distinctively 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 present fraud and imposition."

The validity of a cause for infringement is predicated upon colorable imitation. The phrase "colorable imitation" denotes such a "close or ingenious imitation as to be calculated to deceive ordinary persons or such a resemblance to the original as to deceive an ordinary purchaser giving such attention as a purchaser usually gives, and to cause him to purchase the one supposing to be the other." (87 C.J.S., p. 287)

Another vital point to emphasize in this case is the fact that the Respondent-Applicant did not file the required verified answer to the notice of opposition. It is very clear that it is not interested in protecting its mark as it allowed itself to be declared to have waived its right to file the required answer. (Order No. 2006-1164 dated 9 August 2006)

In the case "Delbros Hotel Corporation vs. Intermediate Appellate Court", SCRA 533, 543 (1988), the Supreme Court ruled that:

"Fundamentally, default orders are taken on the legal presumption that in failing to file an answer, the Defendant does not oppose the allegations and relief demanded in the complaint."

Indeed, this Bureau cannot but notice the lack of concern the Respondent-Applicant had shown in protecting the mark it had applied for registration, contrary to the disputable presumption that "a person takes ordinary care of his concern" enunciated in Section 3(d) of Rule 131 of the Rules of Court.

WITH ALL THE FOREGOING, the opposition is hereby SUSTAINED. Consequently, application bearing Serial No. 4-2003-006365 filed on July 17, 2003 by CLIPSAL ASIA LTD., for the mark "ULTI in Stylized Form" is hereby REJECTED.

Let the filewrapper of the trademark "ULTI in Stylized Form" subject matter of this case together with a copy of this DECISION be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 29 January 2007.

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