I.P. MANUFACTURING LTD.,	}	IPC No. 14-2006-00010
Opposer,	}	Opposition to:
	}	Serial No. 4-2004-002441
	}	Date Filed: March 12, 2004
-versus-	}	TM: "HYGIENIX"
	}	
HBC, INCORPORATED,	}	
Respondent-Applicant.	}	Decision No. 06 - 151
X	·Х	

DECISION

For decision is the Verified Notice of Opposition filed on February 7, 2006 against the application for registration of the mark "HYGIENIX" used for hand sanitizing spray, liquid hand soap, intimate feminine wash, spray, powder and feminine lubricant under class 03 of the international classification of goods bearing Application Serial No. 4-2004-002441 which was published in the Intellectual Property Office Electronic Gazette October 10, 2005.

Opposer, I.P. Manufacturing Ltd., is a corporation organized and existing under the laws of Thailand, with principal office at 319 Moo 4, Bangpoo Industrial Estate Soi 6, Samutprakarn 10280, Thailand.

Respondent-Applicant is HBC, Incorporated, a domestic corporation with address at 548 Mindanao Avenue corner Quirino Highway, Quezon City.

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

"1. Opposer is the owner of the mark "HYGIENE", having used, registered and popularized the same in various countries of the world. In the Philippines, Opposer has filed an application for registration of the mark "HYGIENE" for the following goods: spray and iron speed starch, fabric softener, pre-wash stain remover in Class 3 on September 16, 1997, Opposer's mark "HYGIENE" has been allowed for registration in the Philippines since October 2004."

On the other hand, the application, subject of the present opposition, was filed on March 12, 2004 for the following goods under the Class 3: hand sanitizing spray, liquid soap, feminine wash, spray, powder and feminine lubricant, which is much later than the date of filing of application of Opposer."

- "2. Clearly, Opposer's mark was filed and registered much earlier than that of Respondent's."
- "3. Opposer has been using its mark for 25 years now, having first used and adopted the same as early as 1980. In the Philippines, Opposer has first used the mark "HYGIENE" in November 1980."
- "4. Clearly, Opposer is the rightful owner of the mark "HYGIENE", having used, adopted and registered the same in the Philippines and on several countries in the world much earlier than Respondent."

Being the owner of the mark, Opposer has sought the registration of the same in Thailand and in various countries of the world, including Hongkong, China, Indonesia, India, Cambodia and Laos."

"5. Through widespread and extensive use by the Opposer in most parts of the world, Opposer's mark has acquired inherent or acquired distinction."

- "6. Opposer has developed goodwill and reputation for its mark "HYGIENE", through extensive promotion, worldwide registration and use."
- "7. Opposer has built, for its mark "HYGIENE", superior quality image or reputation through its long use characterized by high standards."
- "8. From the foregoing, it is apparent that Opposer's mark satisfies the criteria by the Rules and Regulations Implementing RA 8297 to be considered as a well-known mark, entitled to protection under section 123 (e) and (f) of R.A 8293."
- "9. Whether it is in presentation, general appearance or especially in pronunciation, Respondent-Applicant's mark HYGIENIX and Opposer's mark "HYGIENE" are confusingly similar, and hence, will cause confusion among their prospective market, coupled by the fact that the goods covered are the same or related, sold in the channels and belonging to the same Class 3."
- "10. Considering the above circumstances, registration is prescribed be R.A. 8293 Section 123 (d)."
- "11. If allowed contrary to existing laws and jurisprudence, Respondent's use of the mark HYGIENIX, which is confusingly similar to Opposer's mark "HYGIENE", will indicate a connection between the latter's goods and those of Respondent's, and will likely mislead the buying public into believing that the goods of Respondent's are produced or originated from, or are under the sponsorship of Opposer, to the detriment and damage of Opposer's interest, considering the goods are the same or related and belong to the same class."
- "12. Opposer hereby alleges that the Respondent-Applicant's adoption of HYGIENIX trademark which is similar to that of Opposer's "HYGIENE", was clearly done with the illegal intent of riding on the popularity and goodwill of Opposer's quality-built reputation and will cause great and irreparable damage and injury to the Opposer."
- "13. Further, Respondent-Applicant is clearly in bad faith in so using and adopting the subject trademark because Opposer has, because of its prior use and registration, gained worldwide notoriety for its "HYGIENE"."

On 09 February 2006, a Notice to Answer the Verified Notice of Opposition was issued by the Bureau to the herein Respondent-Applicant. After several motions for extension, Respondent-Applicant filed its Answer on June 20, 2006 stating the following Special and Affirmative defenses:

- "4. Respondent-applicant is the owner of the subject trademark "HYGIENIX" covering "liquid, paper and bar soap/wash, hand spray, deodorant spray, roll and stick, feminine wash, spray, lubricant shaving foam and powder, cologne, alcohol, shampoo and conditioner, hair remover cream.
- 5. To protect ownership over the subject mark "HYGIENIX", respondent-applicant applied for its registration under Application No. 4-2004-002441 for the said goods. Thereafter, said application was found registrable by the Examiner and was recommended for allowance;
- 6. Respondent-applicant's trademark "HYGIENIX" is not identical or confusingly or deceptively similar to Opposer's mark "HYGIENE". Respondent-

applicant's trademark "HYGIENIX" is a coined term which differs in sound and spelling from the Opposer's mark "HYGIENE";

- 7. Moreover, Opposer cannot appropriate or claim absolute ownership or exclusive right over the word "hygiene" which is a common or generic name and is merely descriptive of the character of an article. The mark "HYGIENE" being descriptive, it cannot be monopolized and its registration as a trademark is always subject to the limitation that the Opposer does not acquire exclusive right to the descriptive or generic term or word;
- 8. On the other, Respondent-applicant's mark "HYGIENIX" is a coined term of the word "hygiene" which is registrable. Well-settled is the rule that although descriptive or generic words cannot be registered as a trademark by itself, it may be used as part of a coined word or mark. Where the descriptive or generic word forms part of the coined mark, it loses its generic or descriptive element. The coined word may then be registered as trademark or trade name;
- 9. Finally, even assuming for the sake of arguments that Opposer's mark is a well-known mark, the use of the mark "HYGIENIX" by the respondent-applicant does not indicate a connection between the Opposer's mark. Neither does it result to a confusion of origin. A perusal of the packaging of all goods bearing the trademark "HYGIENIX" bears another trademark of the respondent-applicant, that is "HBC Home of Beauty Exclusives";
- 10. In fact, all products of the respondent-applicant, including the goods bearing the mark "HYGIENIX" are only sold in the beauty stores of respondent-applicant and are not available in any department stores or grocery stores or any other outlets. While the goods are similar, said goods are sold in different channels of trade with different purchasing public and ultimate consumers. Thus, the allegation of Opposer that use of the mark by the respondent-applicant will dilute Opposer's goodwill and reputation is baseless and at most, imaginary"

On June 21, 2006, the Bureau issued a Notice setting the preliminary conference on July 31, 2006. On June 30, 2006, Opposer filed a Motion for Extension to File Reply which was granted under Order No. 2006-956 issued on July 5, 2006. On July 13, 2006, Opposer filed its Reply. During the preliminary Conference on July 31, 2006, the parties manifested that they are amenable to exploring the possibility of a compromise agreement, thus, the Preliminary Conference was reset to another date but despite several resetting, the parties failed to come up with a compromise agreement. Thus, on November 20, 2006, the parties submitted their respective Position Papers. Hence, this decision.

The main issue to be resolved in this case is: Whether or not Respondent-applicant's mark "HYGIENIX" can be registered.

Opposer in its Position Paper posits that there is confusing similarity between its mark "Hygiene" and Respondent-Applicant's mark "Hygienix". It argues that they are almost identical in spelling, pronunciation, connotation and general appearance. Respondent-Applicant disputes such argument of Opposer by maintaining that Opposer's mark is generic or descriptive and therefore cannot be appropriated. It further argues that it is also not confusingly similar with Opposer's mark in the sense that the packaging of the same indicates that the goods are manufactured by HBC, Inc. and that it is only sold in the beauty stores of Respondent-Applicant.

To determine the registrability of the subject mark, Section 123.1 (d), (e), (f) and (j) of Republic Act No. 8293, as amended, provides:

"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 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;

X X X

(j) Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services."

Records would show that Respondent-Applicant's mark consist the word "HYGIENIX". Said mark is used in goods belonging to Class 03 such as sanitizing spray, liquid hand soap, intimate feminine wash, spray, powder and feminine lubricant. On the other hand, Opposer's mark is "HYGIENE" used on fabric softener, pre-wash stain remover and spray and iron speed starch.

A comparison of the contending marks would show that they are almost similar, their difference lies in that Respondent-Applicant's mark instead of using the correct spelled word "hygiene" instead replaced the last letter "E" with "I" and added the letter "X". Nonetheless, such difference pales into insignificance because both marks still connote the same thing, which is cleanliness. In one American case, the rule applied was that, the conclusion created by use of the same word as the primary element in a trademark in not counteracted by the addition of another term. In the same manner, confusion cannot be avoided by the mere addition of another letter, as in this case. Not only that, both marks are also used on the same Class of goods, i.e., Class 3. Confusing similarity exists when there is such a close or ingenious imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.

On the issue raised by Respondent-Applicant that Opposer's mark is descriptive and therefore incapable of exclusive appropriation, the Supreme Court in the case of SOCIETE DES PRODUITS NESTLE, ET. AL. VS. COURT OF APPEALS ruled, to wit:

"Generic marks are common words that describe an entire class of goods or services. Generic terms are those which constitute "the common descriptive name of an article or substance," or comprise the "genus of which the particular product is a species," or are "commonly used as the name or description of a kind of goods," or "imply reference to every member of a genus and the exclusion of individuating characters," or "refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product," and are not legally protectable. On the other hand, a term is descriptive and therefore invalid as a trademark if, as understood in its normal and natural sense, it "forthwith conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is," or "if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods," or if it clearly denotes what goods or services are provided in such a way that the consumer does not have to exercise powers of perception or imagination."

The word "hygiene" means "cleanliness or preservation of health". By its definition when applied to Opposer's goods do not constitute the common descriptive name of the said article or

product not is its descriptive of the characteristics, functions, qualities or ingredient of the product. At most it may be suggestive of the result that the consumers can benefit by using the goods of Opposer.

What is more, Opposer mark "Hygiene" is a registered mark in the Philippines since February 24, 2005 and therefore is protected by law. Section 138 of Republic Act No. 8293 states:

"SEC. 138. Certificates of Registration. – A certificate of registration of a shall be *prima facie* evidence of the validity of its registration, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate."

WHEREFORE, premises considered, the Notice of Verified Opposition filed by Opposer, I.P. MANUFACTURING LTD. against respondent-applicant HBC, INCORPORATED is, as it is hereby SUSTAINES. Consequently, the trademark application for mark "HYGIENIX" bearing Serial No. 4-2004-002441 filed on 12 March 2004 by Respondent-Applicant used for hand sanitizing spray, liquid hand soap, intimate feminine wash, spray, powder and feminine lubricant under Class 03 of the International Classification of goods is, as it is hereby, REJECTED.

Let the filewrapper of "HYGIENIX" 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, 22 December 2006.

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