

LEVI STRAUSS & CO., INC.	}	Inter Partes Case No. 4184
Opposer,	}	Opposition to:
	}	Appln. Serial No. 81326
-versus-	}	Date Filed: 1 July 1992
	}	Trademark: "LEXI'S"
	}	
	}	
ERNESTO DE JESUS,	}	
Respondent-Applicant }	}	
x-----x		Decision No. 2005 - 07

D E C I S I O N

This pertains to an opposition filed by herein Opposer, LEVI STRAUSS & CO., a foreign corporation duly organized and existing under the laws of the State of Delaware, United States of America, with principal place of business at 1155 Battery Street, San Francisco, California, U.S.A. 94120 against the application for registration of the mark "LEXI'S" used for jeans, t-shirts and jackets under Application Serial No. 81326 and filed on July 1, 1992 by the herein Respondent-Applicant, ERNESTO DE JESUS of Manila, Philippines.

The trademark application was published for opposition on page 80, Volume VIII, No. 2 issue of the Bureau of Patents, Trademarks and Technology Transfer Official Gazette and officially released for circulation on June 9, 1995.

Opposer filed a Verified Notice of Opposition on 15 August 1995, alleging among others, that:

"1. Opposer is the owner-registrant of the world famous trademark LEVI'S under Renewal Certificate of Registration No. 2666 and Original Certificate of Registration No. 8293.

"2. Opposer's mark has, at least since 1946, continuously been used in the Philippines on goods, covered in Class 25, specifically on men's, women's and children's overalls, jackets, outer shirts, coats, slacks, and pants, women's and children's blouses, outer shorts, pedal pushers, vests, skirts and culottes and women's bras. Such use has not, to date, been abandoned.

"3. Opposer's trademark is an internationally famous mark, associated and identified with its products and registered in Opposer's name in at least 158 countries, such as the United States of America, Australia, Brazil, Hong Kong, Kenya, and the United Kingdom, just to name a representative few, long before the applicant filed the subject application. Opposer first used its mark at least as early as 14 April 1927, while Respondent-Applicant claims only since 21 February 1992, or 65 years later.

"4. The trademark applied for registration is confusingly similar to Opposer's trademark, in the following wise:

- a. Opposer's trademark is a five-letter word spelled out as "LEVI'S". Respondent-Applicant's mark is likewise a five-letter word spelled out as "LEXI'S". Only the middle letter varies in that Opposer's mark uses a "V" while Respondent-Applicant's mark uses an "X". Notably, even these two (2) consonants are easily confused when graphically represented. Even a cursory perusal of Respondent-Applicant's mark as it appeared in the Official Gazette readily

illustrates the confusing similarity spawned mainly is presented more like a “V” with very short and almost insignificant tails only highlights the similarity.

- b. Opposer’s trademark and Respondent-Applicant’s mark proposed for registration are identically punctuated by an apostrophe after the letter “l” and before the last letter which also happens to be the same, i.e. “S”.
- c. Considering that as represented, the two marks are confusingly similar, and the fact that the goods on which Opposer’s mark are used and on which Respondent-Applicant intends to use, or is already using, his own mark, are of the same class and identity, the likelihood of consumer deception is immense. Hence, use in the Philippines of the trademark applied for by Respondent-Applicant constitutes an unlawful appropriation of Opposer’s mark, previously used and registered and not since abandoned, in violation of Section 4(d) of Republic Act No. 166, as amended.
- d. The use of the trademark applied for on the goods listed in the application is likely to cause confusion or mistake, or will likely deceive purchasers who may be led to believe that the mark of Respondent-Applicant and the goods on which the said mark is used or to be used are those of Opposer herein and vice versa.

“5. For the reasons aforesaid, Opposer will be damaged by the registration of the trademark applied for in the name of Respondent-Applicant. Furthermore, should the Respondent-Applicant’s products be of inferior quality to those of the Opposer’s, Opposer’s goodwill and business reputation will suffer grave and irreparable injury.

The fact that both marks are used on Class 25 goods heightens the probability of dilution of Opposer’s trademark in that the public would be led into the mistaken notion that the quality of Opposer’s goods has been allowed to deteriorate and/or the Opposer now allows other jeans makers to use its world-famous trademark or close variants thereof.”

Pursuant to the Notice to Answer issued by this Office dated August 17, 1995, Respondent-Applicant filed a Motion to Admit Answer denying the allegations contained in the notice of opposition, which was duly admitted by this Office under Order No. 95-613 dated November 14, 1995 and consequently the case was scheduled for Pre-Trial Conference on December 19, 1995.

During the Pre-Trial Conference, the parties failed to reach an amicable settlement hence, this case proceeded for trial on the merits.

In support of its opposition, Opposer presented the following documents consisting of exhibits “A” to “E” inclusive of submarkings which was duly admitted by this Office under Order No. 2004-393 dated July 19, 2004, to wit:

EXHIBITS	DESCRIPTION
“A”	Affidavit of Mr. Bernabe C. Alajar
“A-1”	Signature of Mr. Bernabe C. Alajar
“A-2”	Trademark, Technical Data and Technical Assistance Agreement between Levi Strauss and Company and Levi Strauss Philippines, Inc.

"A-3"	Philippine Certificate of Trademark Registration No. 21470 for the mark "LEVI'S & DEVICE" issued on 12 February 1974
"A-4"	Philippine Certificate of Trademark Registration No. 29511 for the mark "LEVI'S & DEVICE" issued on 22 May 1981
"A-5"	Philippine Certificate of Trademark Registration No. 22680 for the mark "LEVI'S" issued on 6 October 1975
"A-6"	Philippine Certificate of Trademark Registration No. 2666 for the mark "LEVI'S" issued on 10 August 1982
"A-7"	Philippine Certificate of Trademark Registration No. 35048 for the mark "LEVI'S" issued on 6 January 1986
"A-8"	Levi Strauss & Co.'s Trademarks Inventory Report dated 23 February 1995
"B"	One (1) pair of genuine Levi's jeans
"B-1"	Patch
"B-2"	Size Ticket
"B-3"	Paper Label
"B-4"	Guaranty Ticket
"B-5"	Tag on the side
"B-6"	Buttons
"C"	Affidavit of Mr. Romualdo A. Romualdo
"C-1"	Signature of Mr. Romualdo A. Romualdo
"C-2"	Philippine Certificate of Trademark Registration No. 4-1994-9432 for the mark "LEVI'S AND DEVICE" issued on 12 February 1974
"C-3" to "C-4"	Photographs of the Original Levi's Store located in Sta. Lucia East, Ortigas
"C-5"	Photographs of the Original Levi's Store located in Festival Mall, Alabang, Muntinlupa
"C-6"	Photographs of the Original Levi's Store located in Harrison Plaza, Manila
"C-7"	Photographs of the Original Levi's Store located in Rustan's Makati
"C-8" to "C-27"	Levi Strauss (Philippines), Inc. Financial Reports and/or Audited Financial Statements for the years 1972 to 1987 and 1995 to 2001
"C-28"	Copy of the book "Levi Strauss History"
"D"	Authenticated copy of the Restated Certificate of Incorporation of Levi Strauss & Co.
"E"	Authenticated copy of Levi Strauss & Co.'s Certificate of Good Standing issued by the Secretary of State of the State of Delaware U.S.A.

Respondent-Applicant, on the other hand, failed to present any evidence in support of his claim. Consequently, the failure of the Respondent-Applicant to appear and participate in the proceedings despite due notice constitutes a waiver of his right to present evidence.

**THE MAIN ISSUE TO BE RESOLVED IN THIS CASE IS WHETHER OR NOT RESPONDENT-APPLICANT'S "LEXI'S" TRADEMARK IS CONFUSINGLY SIMILAR WITH THE OPPOSER'S "LEVI'S" TRADEMARK.**

It should be noted that the trademark application being opposed was filed on July 1, 1992 or during the effectivity of the old Trademark Law (R.A. 166, as amended). Thus, the applicable provision of law in resolving the issue involved is Section 4(d) of R.A. No. 166, as amended which provides:

“Sec.4 . Registration of trademarks, tradenames and service marks on the principal register. There is hereby established a register of trademarks, tradenames and service marks which shall be known as the principal register.

The owner of the trademark, tradename, or service mark use to distinguish his goods, business pr services from the goods, business or services of others shall have the right to register the same on the principal register, unless it:

x x x

(d) Consists of or comprises a mark or tradename which so resembles a mark or tradename registered in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers.”

In order to determine whether or not there is confusing similarity between Respondent-Applicant’s mark LEXI’s and the Opposer’s LEVI’s trademark, this Office has to compare both marks.

Upon visual comparison of the Opposer’s LEVI’s trademark and Respondent-Applicant’s LEXI’s trademark, this Office finds that both marks consist of five (5) letters. That the only difference vary with regard to the third letter of the marks wherein the Opposer uses the letter “X” while the Respondent-Applicant uses the letter “V”. To be noted also is the fact that both marks, LEVI’s for the Opposer and LEXI’s for the Respondent-Applicant are identically punctuated by an apostrophe after the latter “I” and before the letter “S”. These features are very apparent upon comparison of the two (2) marks. Moreover, the manner of display of the Respondent-Applicant’s mark is written vertically but if written horizontally in the manner how Opposer’s mark is being displayed although both marks differ in pronunciation, nevertheless they look almost the same, hence the intention of herein Respondent-Applicant to mislead the ordinary buying public that the goods they are buying is under the mark LEVI’s is very apparent. This particular act is what the law prohibits and should not be tolerated. It should also be noted that both marks of the Opposer and Respondent-Applicant are used or applied on the same class of goods specifically falling under Class 25.

When one applies 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 protect an already used and registered trademark and an established goodwill. (Chuan Chow Soy & Canning Co. v. Director of Patents and Villapanta, 108 Phil. 833, 836).

In connection with the use of a confusingly similar or identical marks, it has been ruled, thus:

“Those who desire to distinguish their goods from the goods of another have a broad field from which to select a trademark for their wares and there is no such poverty in the English language or paucity of signs, symbols, numerals, etc. as to justify one who really wishes to distinguish his products from those of all others entering the twilight zone of a field already appropriated by another. ( Weco Products Co. v. Milton Ray Co., 143 F. 2d, 985, 32 C.C.P.A. Patents 1214).”

The Supreme Court in the case of American Wire and Cable Company v. Director of Patents (G.R. No. L-26557, February 18, 1970), held that:

“The similarity between the competing trademarks, DURAFLEX and DYNAFLEX, is apparent. Not only are the initial letters and the last half of the appellations identical but the difference exists only in two out of eight literal elements of the designations. Coupled with the fact that both marks cover insulated flexible wires under class 20; that both products are contained in boxes of the same material, color, shape and size; that the dominant elements of the front designs are a red circle and a diagonal zigzag commonly related to a spark or flash of electricity; that the back of both boxes show similar circles of broken lines with arrows at the center pointing outward, with the identical legend “Cut Out Ring” “Draw From Inside Circle”, no difficulty is experienced in reaching the conclusion that there is a deceptive similarity that would lead the purchaser to confuse one product with the other.”

In this case, there is no denying the close resemblance of the marks LEVI's and LEXI's of the Opposer and Respondent-Applicant respectively as to cause confusion to the consuming public considering further that both marks are used on the same class of goods.

Likewise, the Supreme Court held, in the case of Acoje Mining Company, Inc. v. Director of Patents (G.R. No. L-28744, April 29, 1971), that:

“The determinative factor in a contest involving registration of trade mark is not whether the challenging mark would actually cause confusion or deception of the purchasers but whether the use of such mark would likely cause confusion or mistake on the part of the buying public. In short, to constitute an infringement of an existing trade-mark patent and warrant a denial of an application for registration, the law does not require that, the competing trademarks must be so identical as to produce actual error or mistake, it would be sufficient, for purpose of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.”

Emphasis should also be given to the fact that Opposer has first used the mark LEVI's commercially in the Philippines since December 30, 1946 (Exhibit “A”) whereas Respondent-Applicant claims use only since 21 February 1992 or 65 years later. Opposer has applied and in fact been issued several Certificates of Registration for the marks LEVI's and LEVI's AND DEVICE (Exhibits “A-3” to “A-7”) and that the earliest of said registration was issued on February 12, 1974 for the mark LEVI's AND DEVICE (Exhibit “A-3”) which was subsequently renewed and issued the corresponding Renewal Registration No. 4-1994-94324 dated December 13, 1999 (Exhibit “C-2”)

It is likewise worth mentioning the failure of Respondent-Applicant to participate in the cross-examination of Opposer's witnesses and his failure to present his own evidence after the Opposer has rested its case to support his claim of use and ownership of the mark LEXI's. Moreover, such failure of the Respondent-Applicant is deemed a waiver of his right to present evidence.

Thus, in the case of Eugenio Tenebro v. Court of Appeals, et.al. (G.R. No. 107193, July 7, 1997), the Supreme Court held that:

“Petitioner waived not only the right to cross-examine private respondent's witnesses but also his right to present evidence as a necessary consequence of his repeated failure, nay, refusal, to appear at the hearing of his case.”

Indeed, this Office cannot but notice the lack of concern the Respondent-Applicant had shown in protecting his mark which is contrary to the norm that: A person takes ordinary care of his concern. (Sec. 3 (d), Rules 131 of the Rules of Court).

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, trademark application bearing Serial No. 81326 filed on July 1, 1992 by ERNESTO DE JESUS for the mark "LEXI'S" is hereby REJECTED.

Let the filewrapper of the trademark LEXI'S" subject matter under consideration be forwarded to the Administrative, Financial and Human Resources Development Services Bureau (AFHRDSB) for appropriate action in accordance with this Order with a copy to be furnished the Bureau of Trademarks (BOT) for information and to update its records.

SO ORDERED.

Makati City, 23 February 2005.

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