

MAG INSTRUMENT, INC.,	}	IPC No. 14-2004-00049
Opposer	}	Opposition to:
	}	Ser. No. 4-2000-000264
-versus-	}	Date Filed: January 14, 2000
	}	TM: "MAG-FLEX"
	}	
PULSE MEDICAL CO. LTD.	}	Decision No. 2006-26
Respondent-Applicant,	}	
x-----x		

## DECISION

Before us is an Opposition filed by MAG INSTRUMENT, INC. a corporation duly established and organized under the laws of State of California, United States of America with principal office at 1635 South Sacramento Avenue, Ontario, California 91761 against the application filed on January 14, 2000 by Pulse Medical Co. Ltd. with address at Senju Bldg., 30-5, Takadanoba 1-Chome, Sinjuku-kun, Tokyo, 169-0075, Japan bearing serial no. 4-2000-000264 for the registration of the mark "MAG-FLEX" used for "Magnetic therapeutic apparatus, massage apparatus and medical apparatus and instruments" under Class 10 of the international classification of goods which was published in the Intellectual Property Official Gazette, Vol. IV, No. 10 and released for circulation on December 18, 2003.

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

"1. The Opposer is a corporation duly established and organized under the laws of a state of California, United States of America, a member of the Paris Convention for the Protection of Industrial and Intellectual Property to which the Philippines is also a party. Under the provisions of Section 3 and 160, et seq., of R.A. 8293, otherwise known as the Intellectual Property Code (IP Code) of the Philippines, the Opposer being a party to the Paris Convention in which the Philippines is also a member, is entitled to the benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled under the provision of said Act (Mirpuri vs. Court of Appeals, 318 SCRA, 516-557 et seq.) Sections 3 and 160, et. Seq., of RA 8293 and Rules 201 (a) and (b) of the Implementing Rules and Regulations (IRR) on Trademarks of the IP Code, read:

"Section 3. International Conventions and Reciprocity- Any person who is a national or who is domiciled or has a real and effective industrial establishment on a country which is a party to any convention. Treaty or agreement relating to intellectual property right or the repression of unfair competition, to which the Philippines is also a party, r extends reciprocal rights to nationals, of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act.

"Section 160. Right of Foreign Corporation to Sue in Trademark or Service Mark Enforcement Action- Any Foreign national or juridical person who meets the requirements of Section 3 of this Act and does not engage in them business in the Philippines may bring a civil or administrative action hereunder for

opposition, cancellation, infringement, unfair competition, or false designation of origin and false description, whether or not it is licensed to do business in the Philippines under existing laws. (Section 21-A, R.A. No. 166a)

“Rule 210. International Conventions and Reciprocity-

(a) Any person who is a national or who is domiciled or has real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by the Intellectual Property Code.

(b) The registration of a mark of such person shall be independent of the registration of the country of origin and the duration, validity or transfer in the Philippines of such registration shall be governed by the IP Code and these Regulations.

“2. The opposer is a well-known in the United States of America, the Philippines and other countries of the world as the owner of the trademarks MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and other related trademarks, used on goods falling under classes 9 and 11, among others.

“3. The mark MAG-LITE & DESIGN was first used by the Opposer on February 22, 1979, and is protected by United States Registration No. 1, 808, 998 issued on December 7, 1993, covering goods falling under class 11 of the Nice Classification, specifically, flashlights.

“4. The corresponding application for the registration of MAG-LITE & DESIGN was filed in the Philippines Bureau of Patents, Trademarks and Technology Transfer, now Intellectual Property Office (IPO), on July 2, 1993, issued on May 14, 1997, for goods falling under class 11, specifically, flashlights.

“5. The mark MAG-LITE was first used by the Opposer on February 22, 1979, and is protected by United States Registration No. 1, 154, 816 dated May 19, 1981, covering goods falling under class 11, specifically, flashlights

“6. The corresponding application for the registration of MAG-LITE was filed in the Philippines Bureau of Patents, Trademark and Technology Transfer, now the IPO, on June 4, 1993, which has ripened into Certificate of Registration No. 59692, issued on January 10, 1995, for goods falling under class 11, specifically flashlights.

“7. The mark MAG was first used by the Opposer on January 9, 1992 and is protected by United States Registration No. 1, 975, 632 dated May 28, 1996, covering goods falling under class 9, namely, electric flashlight accessories sold together or power cords, charger cradles, flashlight recharger, adapters for use with vehicle cigarette lighter, battery packs for flashlights, voltage converters, foreign plug adapters, hardwiring harnesses for adapting flashlight rechargers to land vehicles, boats and airplanes.

“8. The corresponding application for the registration of MAG was filed in the Philippine Bureau of Patents, Trademarks and Technology Transfer, now the IPO, on June 4m 1993, which has now ripened into Certificate of Registration No. 04-1993-88093 issued on September 4, 2000, covering the same goods as those of US registration no. 1, 975,632.

“9. Apart from the aforementioned registrations, the Opposer, as the owner of the marks, MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and other related marks, also has applied for and/or registered the said marks in the United States Patent and Trademark Office under Registration Nos. 1,715,086, for goods falling under class 11 of the Nice classification, specifically, “Batteries, chargers, electrical converters and power cords” and “Flashlights, flashlights parts and flashlight accessories; namely bulbs, clamps, holsters, traffic wands, lanyards, keyrings, battery springs, bulb protectors, pocket clips and lenses; and also Registration No. 1, 528, 125 as well as Registration No. 1, 245, 187.

“10. Opposer’s trademarks MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and other related marks have been advertised substantially over a period of years in magazine, newspaper, television, radio, brochures and other literature, billboards, poster, reports and other modes of advertising, having local and international circulation at tremendous expense to the opposer.

“11. As a result of Opposer’s extensive use and advertisement of its marks in magazines, newspapers, brochures, etc. having local and international circulation. Opposer’s marks have become well known as contemplated by Article 6bis of the Paris Convention, as amended, and entitled to the benefits of said Convention as well as the pertinent provisions of the IP Code, Rep. Act 8293, (Mirpuri vs. Court of Appeals, supra.)

“12. It will thus be seen that Opposer’s date of first use as well as the dates of registrations of the trademarks MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and other related marks herein above described, in the United States of America and other countries of the worlds and in the Philippines are very much earlier than that of the applicant’s trademark MAG-FLEX.

“13. Opposer respectfully alleges that the applicant’s use of MAG-FLEX on “magnetic therapeutics apparatus, massage apparatus and medical apparatus and instruments” under Class 10, is similar or identical to Opposer’s registered trademarks, MAG-LITE and MAG-LITE & DESIGN, used on “flashlights”, the trademark MAG INSTRUMENT used on “batteries, chargers, electrical converters and power cords” and “Flashlights, flashlight parts, and flashlight accessories; namely, bulbs, clamps, bolsters, traffic wands, landyards, keyrings, battery springs, bulb protectors, pocket clips and lenses”, also under class 11, and the trademark MAG used on “electric flashlight accessories, sold together or separately, namely rechargeable batteries, battery chargers, electrical converters, foreign plug adapters, hardwiring, harnesses for adopting flashlight rechargers to land vehicles, boats and airplanes” under class 9 and other closely related goods and services, etc. and therefore, MAG-FLEX cannot be registered for the same class of goods or closely related goods under Sections 123 and 123.1 (par. (d), (i), (ii), and (iii) of the Intellectual Property Code, Rep. Act 8293 which read:

“Sec. 123. Registrability-123.1 A mark cannot be registered if it:

x x x

(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; (underscoring supplied)

“14. Applicant’s MAG-FLEX cannot likewise be registered because it is identical with, or confusingly similar to MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and other related MAGS trademarks abovementioned, which are well known internationally, and as being already owned by the Opposer and used on identical, similar or closely related MAGS goods or products. Thus;

“Sec. 123. Registrability-123.1 A mark cannot be registered if it:

x        x        x

“(e) Is identical with or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of 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 section 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; [Section 123, 123.1 (par. E), R.A. 8293, Rule 102, Implementing Rules and Regulations on Trademarks] (underscoring supplied)

“15. Opposer also respectfully alleges that the applicant’s use of MAG-FLEX must necessarily result in confusion and deception of the public, considering that it is used on the same or closely related class of goods in which Opposer has long used its trademarks MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and other related MAGS trademark. Sections 123 and 123.1 par. (d), (i), (ii) and (iii) of the Intellectual Property Code, Rep. Act 8293

“16. The Opposer likewise respectfully alleges that the applicant’s act of adopting MAG-FLEX, a trademark which is similar or identical to that of the Opposer, was made with illegal and immoral intention of cashing on the good will and popularity of Opposer’ reputation and will cause great and irreparable damage and injury to the Opposer.

“17. Because of opposer’s prior use, registrations and the worldwide notoriety of its trademarks MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT, and related MAGS trademarks, applicant cannot claim good faith adopting MAG-FLEX on the same class of goods or closely related goods, on which Opposer has long before used, and registered, and which applicant has prior knowledge

“18. The allowance of the trademark MAG-FLEX is not in accordance with the corresponding Japanese registration. The basis of the present application subject of opposition is Japanese Registration No. 4409924 issued on August 18, 2000, covering goods in the international Class 10, specifically “medical apparatus and instruments, massage apparatus for household purposes”. The application however was published for opposition covers the goods” magnetic therapeutic apparatus, massage apparatus and medical apparatus and instruments”, contrary to the corresponding Japanese registration. Consequently, the present application subject of opposition should not have been recommended for allowance.

Immediately, a Notice to Answer the Verified Notice of Opposition dated April 22, 2004 was sent to the herein Respondent-Applicant. However, for failure to file the required Answer to the Verified Notice of Opposition despite notice thereof, Respondent-Applicant was declared in DEFAULT per Order No. 2004-728 dated November 30, 2004.

Pursuant to the Order of Default, Opposer presented its evidence ex-parte consisting of Exhibits “A” to “M” inclusive of submarkings.

The issues of this case are the following:

1. Whether or not Respondent-Applicant’s mark “MAG-FLEX” is identical or confusingly similar to Opposer’s marks, “MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT”
2. Whether or not the trademark is used for similar or identical goods and such act will cause great and irreparable damage and injury to the opposer;
3. Whether or not Opposer’s marks are well-known in the context of the Paris Convention.
4. Whether or not Respondent-Applicant has the right to register the mark “MAG-FLEX” for magnetic therapeutic apparatus, massage apparatus and medical apparatus and equipments.

In determining whether colorable imitation exists, jurisprudence has developed two kinds of tests – the Dominancy Test applied in *Asia Brewery, Inc. v. Court of Appeals* and other cases and the Holistic Test developed in *Del Monte Corporation v. Court of Appeals* and its proponent cases. As its title implies, the test of dominancy focuses on the similarity of the prevalent features which constitutes infringement. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity. (SOCIETE DES PRODUITS NESTLE, S.A. and NESTLE PHILIPPINES, INC., vs. COURT OF APPEALS and CFC CORPORATION, [G.R. No. 112012. April 4, 2001.]

It must be emphasized that in the history of trademark cases in the Philippines, particularly in ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set rules can be deduced. Each case must be decided on its own merits. xxx (SOCIETE DES PRODUITS NESTLE, S.A. and NESTLE PHILIPPINES, INC., vs. COURT OF APPEALS and CFC CORPORATION, [G.R. No. 112012. April 4, 2001.]

In the case at bar, applying the holistic test, this Office finds that no confusing similarity exists between the marks of both parties.

The lone similar word in the trademarks “MAG”, “MAG-LITE”, “MAG-LITE & DESIGN” and “MAG INSTRUMENT” and “MAG-FLEX”, is “MAG” and although it is prominent, the trademark should be considered as a whole and not piecemeal. The dissimilarities between Opposer’s marks and Respondent-Applicant’s mark become conspicuous, noticeable and

substantial enough to matter especially in the light of the following variables that must be factored in.

First, MAG-FLEX is entirely different from MAG, MAG-LITE, MAG-LITE & DESIGN and MAG INSTRUMENT. By mere pronouncing of the marks, it could hardly be said that it will provoke confusion as to mistake one for the other. For instance, "MAG-LITE" does not sound the same as "MAG-FLEX".

Likewise, Opposer's trademark "MAG-LITE" is written in upward direction or style whereas Respondent-Applicant's trademark is written in straight line.

The font used by Opposer is also different from that of the Respondent.

In the case of Etepha A.G. v. Director of Patents (G.R. No. L-20635, March 31, 1966), the Supreme Court ruled:

Considering the two labels in question-Pertussin and Atussin-as they appear on the respective labels, these words are presented to the public in different styles of writing and methods of design. The horizontal plain, block letters of Atussin and the diagonally and artistically upward writing of Pertussin leave distinct visual impressions. One look is enough to denude the mind of that illuminating similarity so essential for a trademark infringement case to prosper. Moreover, the two words do not sound alike- when pronounced. There is not as much as phonetic similarity between the two. In Pertussin the pronunciation of the prefix "Per" whether correct or incorrect, includes a combination of three letters p, e and r; whereas in Atussin the whole word starts with the single letter A added to the suffix "tussin". Appeals to the ear are dissimilar. And this, because in a word-combination, the part that comes first is the most pronounced.

Likewise, in the case of Mead Johnson Co. vs. N.V.J Van Dorp Ltd. (G.R. No. L-17501, April 27, 1963)

It is true that between petitioner's trademark "ALACTA" and respondent's "ALASKA" there are similarities in spelling, appearance and sound for both are composed of six letters of three syllables each and each syllable has the same vowel, we find the following dissimilarities in the two marks: (a) The sizes of the containers of the goods of petitioner differ from those of respondent. (b) The colors too differ. (c) Petitioner's mark "ALACTA" has only the first letter capitalized and is written in black. Respondent's mark "ALASKA" has all the letters capitalized written in white except that of the condensed full cream milk which is in red.

With regard to the second issue, the respective goods of the Opposer and the Respondent-Applicant are neither identical, similar, competing nor related.

In the case of ESSO STANDARD EASTERN, INC., vs. THE HONORABLE COURT OF APPEALS and UNITED CIGARETTE CORPORATION [G.R. No. L-29971. August 31, 1982.] The Supreme Court ruled:

"Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or are sold in grocery stores. Thus, biscuits were held related to milk because they are both food products. Soap and perfume, lipstick and nail polish are similarly related because they are common household items nowadays. The trademark "Ang Tibay" for shoes and slippers was disallowed to be used for shirts and pants

because they belong to the same general class of goods. Soap and pomade, although non-competitive, were held to be similar or to belong to the same class, since both are toilet articles. But no confusion or deception can possibly result or arise when the name "Wellington" which is the trademark for shirts, pants, drawers and other articles of wear for men, women and children is used as a name of a department store."

Applying these legal precepts to the instant case, Respondent-Applicant's use of the trademark "MAG-FLEX" is not likely to cause confusion or mistake or to deceive the consumers of either the goods of the Opposer and that of the Respondent-Applicant or both as to the identity of the goods, their source and origin, or identity of the business of Opposer and Respondent.

It is undisputed that Opposer uses the trademarks MAG, MAGLITE and MAG INSTRUMENTN and holds certificate of registrations for lighting equipments, accessories and apparatus. On the other hand, Respondent-Applicant's MAG-FLEX is being used solely for magnetic therapeutic-apparatus, massage apparatus and medical apparatus which goods are very different, non-competitive and unrelated to Opposer's goods. Neither do they belong to same class of goods. Opposer's goods belong to classes 9 and 11 whereas Respondent-Applicant's goods belong to class 10.

In this regard, the Supreme Court held-

"We are mindful that product classification alone cannot serve as the deceive factor in the resolution of whether or not wines and cigarettes are related goods. Emphasis should be on the similarity of the products involved and not on the arbitrary classification or general description of their properties or characteristics. But the mere fact that one person has adopted and used a particular trademark for his goods does not prevent the adoption and use of he same trademark by others on articles of a different description." (MIGHTY CORPORATION and LA CAMPANIA FABRICA DE TABACO, INC., petitioners, vs. E. & J. GALLO WINERY and THE ANDERSONS GROUP, INC., [G.R. No. 154342. July 14, 2004.]

Another factor that shows that the goods involved are non-competitive and non-related is that they flow through different channels of trade. Opposer's products are being sold in tool shops and hardware stores while Respondent-Applicant's are sold in medical equipment shops.

In fine, We hold that the businesses of the parties are non-competitive and their products so unrelated that the use of identical trademarks is not likely to give rise to confusion, much less cause damage to Opposer.

Lastly, Opposer's marks are not well-known in the context of the Paris Convention. As we have stated earlier he goods of the Opposer and that of the Respondent-Applicant are neither the same, identical, similar nor related goods, a requisite element under the Trademarks law and the Paris Convention.

Furthermore, the then Minister of Trade and Industry, the Hon. Roberto V. Ongpin, issued a memorandum dated 25 October 1983 to the Director of Patents, a set of guidelines in the implementation of Article 6bis (sic) of the Treaty of Paris. These conditions are:

- a) the mark must be internationally know;
- b) the subject of the right must be a trademark, not a patent or copyright of anything else;
- c) the mark must be for use in the same or similar kinds of goods; and
- d) the person claiming must be the owner of the mark (The Parties Convention Commentary on the Paris Convention. Article by Dr. Bogsch, Director General of the World Intellectual Property Organization, Geneva, Switzerland, 1985).

From the set of facts found in the records, it is ruled that the Opposer failed to comply with third requirement of the said memorandum that it is the mark must be for use in the same or similar kinds of goods. The Opposer is using the mark "MAG-LITE" and its derivatives for products belonging to classes 9 and 11 while the Respondent is using the mark "MAGFLEX" for class 10, hence, Opposer's contention that its mark is well-known at the time the Respondent filed its application for the same mark used on different and unrelated goods, must fail.

There being no confusing similarity between the mark MAG-LITE and MAG-FLEX, the issue as to who is the prior user of the marks become immaterial in determining whether respondent has the right to register the mark MAGFLEX for magnetic therapeutic apparatus, massage apparatus and medical apparatus and equipments. Having appropriated and used the mark MAGFLEX to distinguish and identify his goods, Respondent-Applicant has a right to register the same pursuant to the provisions of RA 8293.

Moreover, even assuming for the same of argument that Opposer's MAG, NAGLITE & DESIGN are well known marks which they are not, Opposer cannot seek protection under Section 123 (f) of R.A. 8293 as it has not complied with the conditions set therein namely, that use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark and that the interests of the owner of the registered mark are likely to be damaged by such use. In the case at bar, no evidence was presented by Opposer to show compliance with the aforementioned conditions to prove entitlement to Sec. 123 (f) of R.A. 8293.

WHEREFORE, in view of the foregoing, the Notice of Opposition filed by the Opposer is, as, it is hereby DENIED.

Considering however, that as shown by the records, Respondent-Applicant, despite due notice failed to file its Answer to the Notice of Opposition nor did it even file any motion to lift the Order of Default, which is indicative of Respondent-Applicant's lack of concern in protecting its mark which is contrary to the provision of Sec. 3 (d) Rule 131 of the Rules of Court that "a person takes ordinary care of his concern" and the pronounced policy of the Supreme Court to the effect that "it is precisely the intention of the law to protect only the vigilant, not those guilty of laches". xxx (Pagasa Industrial Corp. vs. Court of Appeals, L-54158, 118 SCRA 526, 533-534, 1982.

Moreover, the Supreme Court in the case of Del Bros Hotel Corporation vs. Intermediate Appellate Court, 159 SCRA 533, 534, has held 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."

Consequently, Application Serial No. 4-2000-000264 for the mark "MAG-FLEX" used for magnetic therapeutic apparatus, massage apparatus and medical apparatus and equipments under class 10 filed on January 14, 2000 by Respondent-Applicant, PULSE MEDICAL CO. LTD. is hereby considered ABANDONED/WITHDRAWN for Respondent's lack of interest to prosecute subject application.

Let the filewrapper of MAGFLEX subject matter of this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau (AFHRDSB) for appropriate action in accordance with this decision with a COPY furnished the Bureau of Trademarks (BOT) for information and to update of its record.

SO ORDERED.

Makati City, April 24, 2006.



ESTRELLITA BELTRAN-ABELARDO  
Director, Bureau of Legal Affairs