

MAG INSTRUMENT, INC.,	}	IPC No. 14-2004-00050
Opposer	}	Opposition to:
	}	Ser. No. 4-1999-003422
-versus-	}	Date Filed: May 18, 1999
	}	TM: "MAXLITE"
	}	Decision No. 2006-27
RICKLEE ENTERPRISES, INC.,	}	
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 the State of California, United States of America with principal office at 1635 South Sacramento Avenue, Ontario, California 91761 against the application filed on May 18, 1999 by Ricklee Enterprises, Inc., with address at 156 F. Blumentritt St., San Juan, Metro Manila bearing serial no. 4-1999-003422 for the registration of the mark "MAXLITE" used for "bulbs, lights and lighting fixtures" under Class 11 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 & 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, flashlight 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 MAXLITE.

“13. Opposer respectfully alleges that the applicant’s use of MAXLITE for bulbs, lights and lighting fixtures under class 11, 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, lanyards, 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, MAXLITE 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 MAXLITE 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 MAXLITE 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 MAXLITE, 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 MAXLITE 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

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. 2004-727 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 main issue to be resolved in this case is whether or not opposer correctly claims that respondent’s trademark “MAXLITE” was copied from its trademarks specifically “MAGLITE” giving rise to confusing similarity between the two in violation of Republic Act 8293 otherwise known as the Intellectual Property Code of the Philippines which is the law governing the instant opposition considering that the application was filed during the effectivity of the said statute.

Section 123.1 (d) of Republic Act No. 8293 explicitly provides that:

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

x 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 good 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.”*

From the above-cited provision of the Code, it is crystal clear that a mark cannot be registered if it is identical with or confusingly similar to a registered mark belonging to different proprietor and used on closely related goods or services.

After a careful examination of the records and the evidence presented, this Bureau finds that the simultaneous use of Opposer’s mark MAG and MAG-LITE & DESIGN and Respondent’s use of the “MAXLITE” mark results in the likelihood of confusion. We find Opposer’s contentions with merit and hold that there is confusing similarity of trademarks, which justify an opposition to Respondent’s application for trademark MAXLITE.

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.]

The test of dominancy is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the “colorable imitation of a registered mark . . . or a dominant feature thereof.” (*MCDONALD’S CORPORATION and MCGEORGE FOOD INDUSTRIES, INC., vs. L.C. BIG MAK BURGER, INC., ET AL.*). [G.R. No. 143993. August 18, 2004.]

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.]*)

Applying the dominancy test in the case at bar, this Bureau finds that confusing similarity exists between the marks of both parties. First, the two pronounce sounds almost the same as “MAXLITE”. Both marks have two syllables and have the same second syllable, “LITE”. Although

there are differences in the first syllable, however, when pronounced, the syllables "MAG" and "MAX" have almost similar sound. Over all, both marks give a similar aural and phonetic impression. In the case of McDonald's vs. LC Big Mak, GR No. 143993, the Supreme Court cited:

"Courts will consider more the aural and visual impressions created by the marks in the public mind, giving little weight to factors like prices, quality sales outlets and market segments."

This Bureau also notes that the word "LITE" on these trademarks are being used as an alteration or slang for the word "LIGHT", a word descriptive of the products of the contending parties. One who purchases MAXLITE can therefore possibly be deceived that it is MAG-LITE.

Opposer also asserts that the trademarks of the parties are used on identical goods and for identical purposes and that this is an important factor in determining whether or not there is confusing similarity of trademarks.

We agree with Opposer that the trademarks are being used on almost identical goods. As already indicated earlier, opposer's trademarks are being used on "flashlights, batteries, chargers, electrical converters and power cords" and "flashlights, flashlight parts, and flashlight accessories; namely, bulbs, clamps, bolsters, traffic wands, lanyards, keyrings, battery springs, bulb protectors, pocket clips and lenses", under class 11, and on "electric flashlight accessories, sold together or sold together or separately, namely rechargeable batteries, battery chargers, electrical converters, foreign plug adapters, hardwiring, harnesses for adapting flashlight rechargers to land vehicles, boats and airplanes" under class 9 while Respondent-Applicant's mark "MAXLITE" is from the enumeration of the goods of the parties, there is not much explanation needed to determine that their goods are similar and closely related.

Furthermore, as shown by the records, Respondent-Applicant despite due notice failed to file its Answer to the Notice of Opposition nor filed any motion to lift the Order of Default, such act is indicative of lack of its interest in the application, thus it is deemed to have abandoned the same.

WHEREFORE, in view of the foregoing, the Notice of Opposition filed by the Opposer is, as it is hereby SUSTAINED. Accordingly, Application Serial No. 4-1999-03422 for the mark "MAXLITE" being used for bulbs, lights and lighting fixtures filed by Respondent-Applicant, RICKLEE ENTERPRISES, INC. is, as it is hereby REJECTED.

Let the filewrapper of MAXLITE 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
Intellectual Property Office