

ORANGE PERSONAL
COMMUNICATIONS SERVICES LTD.,
Opposer,

-versus-

GLENN K. ANG,
Respondent-Applicant.

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Inter Partes Case No. 14-2008-00147
Opposition to:

Appl'n Serial No. : 04-2007-013010
Date Filed : 27 November 2007
Trademark : "MEGA ORANGE &
DEVICE"

Decision No. 2009-01

DECISION

This pertains to the Notice of Opposition filed by Opposer, Orange Personal Communications Services Ltd., to the registration of the trademark "MEGA ORANGE & DEVICE" bearing Application No. 4-2007-013010 filed on November 27, 2007 covering the goods "*television, DVD Player, speakers, MP3/MP4 microphones, amplifier and all video and audio*" under class 9 of the International Classification of goods which application was published in the Intellectual Property Philippines (IPP) E-Gazette, officially released on March 07, 2008.

Opposer in the instant opposition is "ORANGE PERSONAL COMMUNICATIONS SERVICES LIMITED" a corporation organized and existing under the laws of the United Kingdom, with principal address at St. James Court, Great Park Road, Almondsburry Park, Bradley Stoke, Bristol, United Kingdom.

On the other hand, the Respondent-Applicant is "GLENN K. ANG" of CLS Building, Unit 1-B Dagat-dagatan Avenue corner Aceo Homes, Kalocan City.

The grounds of the opposition are as follows:

- "1. Opposer is filing the present Opposition under the following laws:
 - a. Section 123 (d) of the Intellectual Property Code of the Philippines (Republic Act No. 8293) – which states that a mark cannot be registered if it:
 - "(d) Is identical with a registered mark belonging to a different proprietor or 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;
 - b. Section 123 (e) of the Intellectual Property Code of the Philippines (Republic Act No. 8293) – which states that a mark cannot be registered if it:
 - "(e) Is identical with, or confusingly similar to, or constitute 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 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”.

- c. Section 123 (f) of the Intellectual Property Code of the Philippines (Republic Act No. 8293) – which states that a mark cannot be registered if it:

“(f) Is identical with, or confusingly similar to, or constitute a translation of a mark considered well-known in accordance with the proceeding 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 would indicate a connection between those goods or services, and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark likely to be damaged by such used.”

- d. Section 3 and 160, et Seq., of the Intellectual Property Code of the Philippines (Republic Act No. 8293) – which reads:

“Section 3. *International Conventions and Reciprocity.* – Any person who is a national or who is domiciled or has a 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 law, in addition to the rights to which any owner of an intellectual property rights is otherwise entitled by this Act.”

“Section 160. *Rights of Foreign Corporation to Sue in Trademark or Service Mark Enforcement Action.* – Any foreign national or judicial person who meets the requirements of Section 3 and of this Act and does not engage in 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 (Sec. 21-A, R.A. No. 166a).”

- “2. Opposer is the owner of the marks “ORANGE, ORANGE Device, and stylized ORANGE” mark having used, registered and popularized the same in various countries of the world. In the Philippines, Opposer is the owner of several registrations, for the mark “ORANGE”, which were issued as early as 1996 to wit:
- (a) Registration No. 4-1996-107441, “ORANGE” in Class 9 for Electric and electronic communications; optical, electro-optical, monitoring (other than in-vivo testing), radio, television, electro control, testing (other than in vivo testing), signaling, checking (supervision), teaching apparatus and instruments; apparatus and instruments for recording, transmission or reproduction of sounds and images; video films; electrical and electronic apparatus and instruments all for processing, logging, storing, transmission, retrieval or reception of data; computers; discs, tapes and wires, all being magnetic data carriers; computer programmes; computer software; microprocessors; key boards; but not including any of the aforesaid coloured orange.

Moreover, Opposer has the following pending applications in the Philippines for the marks Orange Device and THE FUTURE'S BRIGHT THE FUTURE ORANGES:

- (a) Application No. 4-2005-007546 ORANGE Device (colour) in Classes 41 and 42, filed August 5, 2005.
- (b) Application No. 4-2006-008421, for ORANGE Device (colour) in Classes 9 and 38, filed on 02 August 2006.
- “3. Opposer has applied for and registered its mark “ORANGE”, “ORANGE Device” and “ORANGE (Stylized)” in numerous countries. The attached schedules provide details of all trademark applications and registrations for the trademark “ORANGE”, “ORANGE Device” and “ORANGE (Stylized)”.
- “4. Opposer has been using its marks “ORANGE” and “ORANGE Device (in colour)” for over 11 years now, having first used and adopted the same as early as April 1994.
- “5. Clearly, Opposer is the rightful owner of the marks “ORANGE” and “ORANGE Device (in colour)” having used, adopted and registered the same in numerous countries in the world much earlier than Respondent.
- “6. Through widespread and extensive use by the Opposer in most parts of the world, Opposer’s mark has acquired inherent distinction.
- “7. Opposer has developed goodwill and reputation for its marks “ORANGE” and “ORANGE Device” through extensive promotion, worldwide registration and use.
- “8. Opposer has built, for its marks “ORANGE” and “ORANGE Device”, superior quality-image and substantial reputation among the public worldwide through its long use of these marks. The Opposer exerts strict controls over the use of its “ORANGE” and “ORANGE Device” marks by all persons authorized to use these marks.

- “9. The Opposer is the owner of the mark “ORANGE (Stylized)” registered in various countries worldwide in relation to musical instruments, amplifiers and other musical goods. The Orange (Stylized) mark has been used worldwide both as a registered and unregistered mark in relation to amplifiers since 1992 and in Europe since the early 1970’s. First use of this mark was in the UK in the 1960s. The Opposer’s Orange (Stylized) mark is used under license from the Opposer and, in relation to amplifiers, this mark has a worldwide reputation in the music business.
- “10. From the foregoing, it is apparent that Opposer’s mark satisfies the criteria set by the Rules and Regulations Implementing R.A. No. 8297 to be considered as a well-known mark, entitled to protection under Section 123 (e) and (f) of Republic Act No. 8293.
- “11. Whether it is in presentation, general appearance or especially in pronunciation, Respondent-Applicant’s mark “MEGA ORANGE & Device” and Opposer’s “ORANGE” “ORANGE Device” and “ORANGE (Stylized)” are identical and/or confusingly similar, and hence, will cause confusion among their prospective market, considering that the goods are similar or related belonging to the same class and sold in the same channels.
- “12. Considering the above circumstances, registration is proscribed by Republic Act No. 8293, Section 123 (d).
- “13. If allowed contrary to existing laws and jurisprudence, Respondent’s use of the mark “MEGA ORANGE & Device” which is confusingly similar to Opposer’s “ORANGE” “ORANGE Device” and “ORANGE (Stylized)”, will indicate a connection between the latter’s goods and services and those of Respondent’s, and will likely mislead the buying public into believing that the goods of the Respondent are produced or originated from, or are under the sponsorship of Opposer, to the detriment and damage of Opposer’s interests, considering the range of goods and services for which Opposer’s mark is being used, which includes goods under Class 9, the goods of interest of Respondent.
- Likewise, the use of Respondent of the mark “ORANGE & Device” will diminish or demean the superior quality image and reputation of Opposer’s products and services characterized by high standards which Opposer has carefully built through its long use and the strict control that Opposer exerts over the use of its trade marks.
- “14. Opposer hereby alleges that the Respondent-Applicant’s adoption of “MEGA ORANGE & Device” trademark which is similar to that of Opposer’s “ORANGE” “ORANGE Device” and “ORANGE (Stylized)” was clearly done with the illegal intent and will cause great and irreparable damage and injury to the Opposer.
- “15. 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 marks “ORANGE” “ORANGE Device” and “ORANGE (Stylized)”.

The Opposer submitted the following in support of its opposition:

Exhibits “A” to “E” inclusive of sub-markings.

On the other hand, Respondent-Applicant failed to file his verified answer despite having received the Notice to Answer on July 23, 2008.

Section 11 of the Summary Rules (Office Order No. 79, Series of 2005), provides:

Section 11. *Effect of failure to file an Answer.* – In case the Respondent-Applicant fails to file an answer, or if the answer is filed out of time, the case shall be decided on the basis of the Petition or Opposition, the affidavit of the witnesses and documentary evidence submitted by the Petitioner or Opposer.

The issue to be resolved in this particular case is:

WHETHER OR NOT RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK “MEGA ORANGE & DEVICE”.

The contending trademarks are reproduced below for comparison and scrutiny and for better understanding and appreciation.



Opposer's mark



Respondent-Applicant's mark

It is observed that the contending trademarks contained the word “ORANGE” of which it is the dominant feature of the Opposer's mark and which was included in the Respondent-Applicant's mark.

In determining similarity and likelihood of confusion, jurisprudence has developed two tests. The “*Dominancy Test*” and the “*Holistic Test*”.

The Dominancy Test sets sight on the similarity of the prevalent features of the competing trademarks that might cause confusion and deception, thus constitutes infringement. Under this norm, the question at issue turns on whether the use of the marks involved would likely to cause confusion or mistake in the mind of the public or deceive purchasers.

In contrast, the Holistic Test entails a consideration of the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity.

Applying the Dominancy Test, the Bureau of Legal Affairs finds and so hold that there exists confusing similarity of the competing trademarks as their dominant features, the word “ORANGE” which is exactly the same in *spelling, pronunciation* as well as in *meaning*.

Records will show that the Opposer mark “ORANGE” have been registered with the Intellectual Property Philippines (IPP) bearing Registration No. 4-1996-107442 on October 30, 2004 covering the goods falling under Class 9 of the International Classification of goods Exhibit (“C-5”) and likewise Opposer having been filed its registration in the same Agency/Office bearing Application No. 4-2006-008421 on August 2, 2006 and Application No. 4-2004-010406 on November 4, 2004 covering the goods falling under Classes 9, 26, 36, 38, 41 and 42 of the International Classification of goods (Exhibit “C-5”).

Further, evidence on records show that Opposer's mark "ORANGE" have been registered and have been applied for registration in many countries aside from the Philippines.

Section 138 of Republic Act No. 8293, provides:

"Section 138. *Certificate of Registration* – A certificate of registration of a mark shall be *prima facie* evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods and services and those that are related thereto specified in the certificate. (Section 20, Republic Act No. 166, as amended)

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.

Considering therefore, that Respondent-Applicants mark is confusingly similar to the registered trademark of the Opposer, the approval of the application in question is contrary to Section 123.1 (d) of Republic Act No. 8293. Likewise of confusion on the part of the consuming public is bound to occur, as well as confusion of source or origin. Compounding the likelihood of confusion and deception is the goods covered by the competing trademarks fall under the same class of goods, Class 9 of the International Classification of goods.

The purpose of the law protecting a trademark cannot be overemphasized. They are to point distinctly 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 prevent fraud and imposition (*Etepha vs. Director of Patents*, 16 SCRA 495). The legislature has enacted laws to regulate the use of trademarks and provide for the protection thereof. Modern trade and commerce demands that depredations on legitimate trademarks of non-nationals including those who have shown prior registration thereof should not be countenanced. The law against such depredations is not only for the protection of the purchasers from the confusion, mistake or deception as to the goods they are buying. (*Asari Yoku Co. Ltd., vs. Kee Boc*, 1 SCRA 1)

The law on trademarks and trade names is based on the principle of business integrity and common justice. This law, both in letter and spirit, is laid upon the premise that, while it encourages fair trade in every way and aims to foster, and not to hamper competition, no one especially a trader, is justified in damaging or jeopardizing others business by fraud, deceit, trickery or unfair methods of any sort. This necessarily precludes the trading by one dealer upon the good name and reputation built by another (*Baltimore vs. Moses*, 182 Md 229, 34 A 92d 338).

The right to register trademarks, trade-names and service marks is based on ownership. Only the owner of the mark may apply for its registration (*Bert R. Bagano vs. Director of Patents, et. al.*, G.R. No. L-20170, August 10, 1965)

WITH ALL THE FOREGOING, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, trademark Application No. 4-2007-013010 filed on November 27, 2007 for the mark "MEGA ORANGE & DEVICE" filed by GLENN K. ANG, is hereby REJECTED.

Let the filewrapper of "MEGA ORANGE & DEVICE" subject matter of this case together with a copy of this DECISION be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

Makati City, 13 January 2009.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs