

PARFUMS GUY LAROCHE	}	IPC No. 14-2006-00177
<i>Opposer,</i>	}	Opposition to:
	}	
-versus-	}	Serial No. : 4-2005-002275
	}	Filed : 09 March 2005
	}	Trademark: "DRAKKAR"
CHANDER CHANDNANI,	}	Goods: handkerchief
<i>Respondent-Applicant.</i>	}	
x-----x	}	Dec. No. <u>2007-34</u>

DECISION

Before this Bureau is an Opposition filed by PARFUMS GUY LAROCHE, a corporation duly organized and existing under and by virtue of the laws of the State of France, with its principal place of business at 16, Place Vendome 75001 Paris, France, against the application for registration of the trademark DRAKKAR for Classes 24 with Application Serial No. 4-2005-002275 and filed on 09 March 2005 in the name of CHANDER CHANDNANI.

The grounds for the opposition to the application for registration of the trademark DRAKKAR are as follows:

"1. The registration of the mark subject of this opposition is contrary to the provisions of Section 123.1 (d), (e), and (f) of Republic Act No. 8293, as amended, which prohibit the registration of a mark that:

"(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;"

(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 sector of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding 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, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use."

“2. The Opposer is the owner of the DRAKKAR mark, which it used in connection with a variety of goods including perfumery and beauty products. The DRAKKAR mark is registered in the Philippines under Registration No. 031306 issued on 2 November 1982. The goods covered by the said registration are “all perfumery and beauty products, essential oils, cosmetics, hair lotions, dentrifices” in class 3.

“3. The Respondent-Applicant’s mark is identical to the Opposer’s DRAKKAR registered mark. Hence, the registration of the Respondent-Applicant’s mark will be contrary to Section 123.1 (d) of Republic Act No. 8293.

“4. Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act No. 8293, which provides:

“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 right is otherwise entitled by this Act.”

The Opposer is domiciled in France. Both the Philippines and France are members of the Paris Convention for the Protection of Industrial Property (the “Paris Convention”), which provides:

“Articles 6bis

(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation, or a translation considered by competent authority of the country of registration or use to be well known in that country as being the mark of a person entitled to the benefits of this Convention and used for identical or similar goods x x x.

“Article 10bis

(1) The countries of the Union are bound to assure nationals such countries effective protection against unfair competition”

“5. The Opposer’s DRAKKAR mark is a well-known and world famous mark. Hence, the registration of the Respondent-Applicant’s mark will constitute a violation of Article 6bis and 10bis of the Paris Convention in conjunction with Sections 3, 123.1 (e) and 123.1 (f) of Republic Act No. 8293.

“6. The Respondent-Applicant’s use of the DRAKKAR mark will mislead the purchasing public into believing that the Respondent-Applicant’s goods are produced by, originate from, or are under the sponsorship of the Opposer.

“7. The Respondent-Applicant’s use of the DRAKKAR mark will mislead the public into believing that the goods bearing the Respondent-Applicant’s mark are

associated with the Opposer. Therefore, potential damage to the Opposer will be caused as a result of the Opposer's inability to control the quality of the products put on the market by the Respondent-Applicant under the DRAKKAR mark.

"8. The Respondent-Applicant's use of the DRAKKAR mark in relation to any of the goods covered by the opposed application, if these goods are considered not similar or closely related to the goods covered by the Opposer's registration of the DRAKKAR mark, will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer's well known DRAKKAR mark.

"9. The Respondent-Applicant's use of the DRAKKAR mark encroaches on the zone of natural expansion of the Opposer's business in connection with which the DRAKKAR mark is used.

"10. The denial of the application subject of this opposition is authorized under other provisions of Republic Act No. 8293.

Opposer relied on the following facts to support its contention in this Opposition:

"1. The Opposer is the owner of the DRAKKAR mark, which has been registered in the name of the Opposer in the Philippines and in several other countries.

"2. The DRAKKAR mark applied for registration by the Respondent-Applicant is visually and phonetically identical to the Opposer's DRAKKAR mark.

"3. The Opposer has not consented to the Respondent-Applicant's use and registration of the DRAKKAR mark.

"4. The Opposer has been commercially using the DRAKKAR mark in the Philippines and internationally prior to the filing date of the application subject of this opposition.

"5. The Opposer has not abandoned its DRAKKAR mark and continues to use it in trade and commerce worldwide.

"6. By virtue of the prior and continuous use by the Opposer of the DRAKKAR mark in the Philippines and other parts of the world, the said mark has become popular and internationally well known and has established for the Opposer valuable goodwill with the public which has identified the Opposer as the source of goods bearing the said mark.

"7. The Opposer has also extensively promoted the DRAKKAR mark worldwide. Over the years, the Opposer has obtained significant exposure for its goods upon which the DRAKKAR mark is used, in various media including television commercials, outdoor advertisements, internationally well-known print publications, and other promotional events. Products bearing the Opposer's DRAKKAR mark are also promoted at the domain www.guylaroche.com and in commercial websites which can be readily accessed by internet users.

The Notice to Answer dated 08 December 2006 was sent to Respondent-Applicant directing it to file their Verified Answer within a prescribed period from receipt. For failure of Respondent to file the required Answer, this Bureau in Order No. 2007-367 declared Respondent to have waived his right to file the Verified Answer and resolved to submit the case for decision.

Considering that the case was mandatorily covered by the Summary Rules under Office Order No. 79, this Bureau directed Opposer to file all evidence in original and duplicate copies,

and in compliance with said Order, Opposer through Counsel filed its evidence on November 30, 2006.

In support of its prayer for the rejection of Application Serial No. 4-2005-002275 for the mark DRAKKAR for use on handkerchief under Class 24, Opposer's evidence consisted, among others, of the Affidavit-Testimony of the Chief Trademark Counsel of Parfums Guy Laroche, Jose Monteiro (*Exhibit "B", Opposer*); Promotional materials for DRAKKAR trademark (*Exhibit "B-1", Opposer*); List of trademark registrations primarily for Class 3 of DRAKKAR trademark obtained abroad and representative copies of these registrations (*Exhibit "B-2" and "B-3", Opposer*); A Special Power of Attorney which designated the law firm of Quisumbing Torres as its attorney-in-fact to represent Opposer in this instant suit (*Exhibit "C", Opposer*).

For consideration in particular is the propriety of Application Serial No. 4-2005-002275 and whether or not Respondent-Applicant's trademark application for DRAKKAR to be used on handkerchief under class 24 should be granted registration.

The issue stems or springs from Respondent-Applicant's appropriation of the word or mark DRAKKAR, which is visually and phonetically similar, in fact obviously identical to the registered DRAKKAR trademark used and not abandoned by Opposer. There is a striking similarity even in the styles of how the labels were printed. This Bureau reproduced Opposer's mark as well as Respondent's mark for purposes of comparison:

*Opposer's
DRAKKAR mark
Registration No. 42006005157*

*Respondent's
DRAKKAR mark
Application No. 42005002275*

Culled from IPP's website www.ipophil.gov.ph and Opposer's documentary evidence (*Exhibit "B-2", Opposer*) likewise is an earlier registered trademark of the Opposer obtained on 02 November 1982 with application dating more than two (2) decades back, more specifically, on 22 June 1979, for the mark DRAKKAR alone.

*Opposer's
DRAKKAR mark
Registration No. 031306*

Upon comparison, one can readily see that the word DRAKKAR appears in both labels of the contending parties.

Having shown and proven resemblance of the two marks, we now delve on the matter of ownership and priority in application which certainly have decisive effects in the adjudication of the case.

With R.A. 8293 as basis of registrability, this Bureau adheres to the First-to-File Rule and applying specific provisions of R.A. 8293 (Sec. 122 and Sec. 127), records will show that as between the parties, Opposer has prior application and registration obtained for the DRAKKAR trademark. Opposer's trademark DRAKKAR was first registered in the Philippines on 02 November 1982 while Respondent-Applicant's application for the same mark DRAKKAR came more than a decade later than Opposer's registration on 09 March 2005. Being the prior user and registrant of the mark DRAKKAR in the Philippines, Opposer is the actual owner thereof and by any parity of reasoning, Respondent-Applicant cannot be considered an originator, prior registrant nor a prior applicant of the subject or questioned trademark.

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 v. director of Patents, et. al.*, G.R. No. L-20170, August 10, 1965). And where a trademark application is opposed, the Respondent-Applicant has the burden of proving ownership (*Marvex Commercial Co., Inc. v. Peter Hawpia and Co.*, 18 SCRA 1178). In the instant case, Respondent-Applicant did not present any evidence to prove its ownership of the DRAKKAR trademark despite being given the opportunity to do so.

A cursory reading of paragraph (d) of R.A. 8293 with emphasis on prior registration and-or application of the same mark states that:

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

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- (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:*
- A. *The same goods or services, or*
 - B. *Closely related goods or services, or*
 - C. *If it nearly resembles such a mark as to be likely to deceive or cause confusion;”*

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The preceding section provides that the owner of a registered mark may bring an action to opposer an application for registration of another mark when he finds the same to be identical and/or confusingly similar with his registered trademark. From a plain reading of the trademark law (R.A. 8293) in point, what is there to suffice the requirement of the law and thus bar registration by subsequent user of identical or similar mark is *confusingly similarity* between the subject trademarks, the likelihood that purchasers may confuse the goods of the Applicant and Opposer to come from the same manufacturer or source. The law does not require actual confusion, it suffices that confusion is likely to occur in the sale of the goods and adoption of both marks (PHILIPS Export B.V., et. al vs. Court of Appeals, et. al G.R. No. 96161, February 21, 1992)

In this particular case, the remarkable similarity of the word DRAKKAR in both marks is noteworthy. The mark DRAKKAR of Respondent-Applicant is the same in sound and spelling vis-à-vis the registered DRAKKAR trademark of Opposer. Anyone is likely to be misled by its close resemblance or identity with Opposer’s trademark. Hence, comparing both marks in plain view there certainly is obvious similarity. Although the goods of the contending parties do not move in the same channels of trade and the possibility appears remote that purchasers will confuse one product with the other because the goods are dissimilar, however, the possibility that Opposer’s DRAKKAR trademark will be used on goods under the aforementioned class specifically handkerchief in the Philippines appears probable as they are within the normal or zone of potential business expansion of Opposer. Bolstering this view is the pronouncement of the Supreme Court in the case of Jose P. Sta. Ana vs. Florentino Maliwat, et.al. G.R. No. L-23023, August 31, 1968 which ruled, thus:

“Modern law recognized that the protection to which the owner of a trademark is entitled is not limited to guarding his goods or business from actual market competition with identical or similar products of the parties, but extends to all cases in which the use by a junior appropriator of a trade-mark or trade-name is likely to lead to a confusion of source, as where prospective purchasers would be misled into thinking that the complaining party has extended his business into the field (see 148 ALR 56 et seq; 53 Am Jur. 576) or is in any way connected with the activities of the infringer; or when it forestalls the normal potential expansion of his business”

Opposer further argues that the mark DRAKKAR is well-known citing authorities and provisions for the protection of well-known marks contained in Article 6bis of the Paris Convention, thus:

- (1) *“The countries of the Union undertake, ex officio if their legislation so permits or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well-known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods.”*

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Opposer further bolstered its argument invoking R.A. 8293 (the Intellectual Property Code of the Philippines) which took effect on January 1, 1998.

In the language of R.A. 8293, more particularly Section 123 (e) and (f), it is said that:

“Section 123. Registrability. – 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 considered well-known in accordance with the preceding 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, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use.”*
- (f) *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 sector of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;*

x x x

it is clear that the foregoing section applies in the case at bar because the subject trademark application was filed under the new Intellectual Property Code, it follows that it is R.A. 8293 that must be applied with regard to the determination of whether or not a mark is well-known. In determining whether a trademark is well-known, we used paragraph (f) of the foregoing section because the goods involved in this instant suit are dissimilar. The scope of protection of well-known marks under the aforesaid standards and guidelines covers registered trademarks to be used on dissimilar goods. It may well be worthy to note that as early as the year 1982, Opposer obtained registration of the trademark DRAKKAR on products in class 3. This registration is

subsisting and has not been abandoned. The appropriation by Respondent-Applicant of the mark DRAKKAR as subsequent user shows an intent to reap on the established goodwill Opposer has earned over the years from the continued and uninterrupted use of its famous DRAKKAR trademark. Opposer's registered DRAKKAR trademark is widely and popularly used by Opposer especially on its perfumery products. The use and adoption by Applicant of the same word DRAKKAR as subsequent user can only mean that Applicant wishes to benefit from the advertising value and reputation of Opposer's famous trademark.

By appropriating a word which is identical or closely resembles that of a widely used and popularly known trademark, and taking into account the evidence submitted by Opposer, this Bureau holds that indeed there was a deliberate intent by Respondent-Applicant to ride on the popularity of the mark of the Opposer generated through extensive use and advertisement without the Respondent-Applicant having incurred any expense to gain such goodwill and/or reputation.

In this case of *American Wire & Cable Co. vs. Director of Patents*, 31 SCRA 544, it was observed that:

"Why of the million of terms and combination of letters and designs available the appellee had to choose a mark so closely similar to another's trademark if there was no intent to take advantage of the generated by the other mark"

As the rightful owner and prior user of the two-word mark DRAKKAR, Opposer should be given protection against entities that merely wish to take advantage of the goodwill its marks have generated.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby SUSTAINED. Consequently, Application bearing Serial No. 4-2005-002275 filed by CHANDER CHANDNANI on 09 March 2005 for the registration of the mark DRAKKAR for use on handkerchief under class 24 is, as it is hereby, REJECTED.

Let the filewrapper of DRAKKAR, 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, March 19, 2007.

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