

PHILIPS ELECTRONICS N.V.,	}	INTER PARTES CASE No. 4055
Opposer,	}	Opposition to:
	}	Serial No. : 81884
-versus-	}	Date Filed : August 5, 1992
	}	Trademark : "PHILCOM & DESIGN"
	}	
PHILIPPINE GLOBAL	}	
COMMUNICATIONS, INC.	}	
Respondent-Applicant.	}	
x-----x	}	Decision No.: 2001-08

DECISION

This is a Notice of Opposition filed on July 5, 1994 by the herein Opposer "PHILIPS ELECTRONICS N.V.", a corporation duly recognized and existing under the laws of the Netherlands and with business address at Groenewoudseweg 1, Eindhoven, The Netherlands against the trademark application bearing Serial No. 81884 for the mark "PHILCOM" filed by Philippine Global Communications, Inc., which application was published in Vol. VII, No. 2 of the Official Gazette officially released for circulation on May 12, 1994.

The herein Respondent-Applicant is "PHILIPPINE GLOBAL COMMUNICATIONS, INC.", of Makati, Metro Manila, a corporation of the Philippines.

The grounds for Opposition are as follow:

- "1. The Opposer is the owner-assignee of the trademarks "PHILIPS" covered by among others, Certificate of Registration No. 42271 issued on December 12, 1988, Certificate of Registration No. SR-1372 issued on June 22, 1971 and Certificate of Registration No. 29134 issued April 13, 1981 for Classes 7,8,9,10,11,14 and 16.
- "2. The trademark "PHILIPS" which opposer owns has been used in the Philippines by its predecessors in interest, PHILIPS EXPORT B.V. and N.V. PHILIPS' GLOELAMPENFABRRIEKEN, in the communication field, long prior to the alleged date of first use of October 4, 1991 by respondent-applicant of its mark PHILCOM.
- "3. The name PHILIPS is most dominant in the electrical and communications business, so that the word mark PHILCOM being used by respondent-applicant for the very same services as international communications would lead to confusion. The trademark of respondent-applicant PHILCOM which is pronounced similarly with PHILIPS, will no doubt lead to confusion. PHILIPS trademark was duly registered with this Honorable Office since as early as April 26, 1956per certificate of Registration No. 5212, and because of such confusing similarity between the trademark applied for and that of the opposer, the same will cause mistake as to source of origin of the goods or services to the damage and prejudice of herein opposer.
- "4. The mark Respondent-Applicant PHILCOM is also confusingly similar, with the Opposer's corporate name PHILIPS ELECTRONICS N.V., the word PHILIPS being the dominant part thereof and with such similarity, the public will be mislead into believing that the business of Respondent-Applicant is related to that of Opposer.
- "5. Opposer relied on the following facts to support its opposition:

- “a. The Opposer is the registered owner and assignee of the trademark PHILIPS covered by among others, Certificate of Registration No. R-1651 issued on September 9, 1976. However, said renewal registration was originally registered with the then Philippine Patent Office since April 23, 1956, and said trademark has been actually used locally for transformers, ballast, safety switch, fuse, electric lamps of all types etc. Opposer is likewise the registrant-assignee of the trademark PHILIPS in certificate of Registration No. 42271 issued on December 12, 1988, Certificate of Registration No. SR-1372 issued on June 22, 1971, and Certificate of Registration No. 29134 issued on April 13, 1981 for goods and services specifically for international communications class 38.
- “b. Because of the high quality of the products and advertisements thereof, the mark PHILIPS has become very popular and well known not only locally but internationally as well. The trademark PHILIPS used in commerce internationally, supported by proof that goods bearing said trademark are sold to international scale, advertisements, the establishment of factories, sales offices, distributorships in different countries including volume or other measure of international trade and commerce all over the world.
- “c. The dominant word in Opposer’s name as well as that of its predecessors in interest, PHILIPS is almost identical in appearance with Respondent-Applicant’s mark PHILCOM.
- “d. The application of subject mark was filed only on August 5, 1992, and Respondent-Applicant claims first use of the same in trade and in commerce in the Philippines as from October 4, 1991.
- “e. The Respondent-Applicant’s alleged mark PHILCOM is confusingly similar specifically in appearance to the mark PHILIPS, and the goods and services are similar.
- “f. The registration of Respondent-Applicant’s alleged trademark PHILCOM would violate Opposer’s rights and interest in its trademark PHILIPS because they are confusingly similar. PHILIPS ELECTRONICS N.V., its tradename will be seriously damaged as its name PHILIPS could be interpreted as PHILCOM and very obvious similar in appearance to PHILIPS.”

On July 25, 1994, Respondent-Applicant filed its Answer denying all the material allegations in the Notice of Opposition and alleged the following as the special and/or affirmative defenses:

- “1. The Opposition states, and opposer has no cause of action against the application filed by the respondent-applicant.
- “2. Opposer’s mark PHILIPS only resembles the first four (4) letters of Respondent-Applicant’s mark PHILCOM. The remaining letters of both marks are completely different thereby precluding any possibility that one mark, read in its entirety, can be confusingly similar to the other, as erroneously alleged by the Opposer.
- “3. The fact that Respondent-Applicant’s mark PHILCOM contains the first 4 letters PHIL does not make it confusingly similar to Opposer’s mark PHILIPS. If that were so, the Bureau of Patents, Trademarks and Technology Transfer should not have allowed the registration of the following:

- a) PHILITALIA - Cert. Of Reg. No. 52715
- b) PHILCRAFT - Cert. Of Reg. No. 49776
- c) PHILPOS - Cert. Of Reg. No. 50702
- d) PHILFLEX - Cert. Of Reg. No. 56331
- e) PHILINE - Cert. Of Reg. No. 52671
- f) PHILSHINE - Cert. Of Reg. No. 54721
- g) PHILOGIN - Cert. Of Reg. No. 50277
- h) PHILOX - Cert. Of Reg. No. 53350

All those registered marks clearly have the first 4 letters PHIL in them and yet, were not declared confusingly similar with each other or with Opposer's mark. This is proof that Opposer's claim of confusing similarity has no basis in fact and in law.

- "4. The labels attached to the opposition bearing the mark PHILIPS clearly show the disparity and distinctiveness of the two marks. In the PHILIPS label, the mark PHILIPS is enclosed with a circle below the mark. Inside the circle are horizontal wavy line bounded by asterisk like figures in the left upper and right lower margins. The lettering of the mark PHILIPS is slender and all capitalized. Upon the other hand, in the PHILCOM label, the mark PHILCOM is preceded by straight black horizontal lines with a silver oval shaped figure tailed by silver lines inside it. The lettering of the mark PHILCOM is thick and wide and only the letters P and C are capitalized. Further, the mark and design of PHILCOM consist of the word PHILCOM (in red color) with device consisting of a satellite disk and cable terminals presented to portray the globe. The whole design consists of the colors red, black and silver. Clearly, there is no confusing similarity between the two marks.
- "5. There is likewise no confusion that can arise regarding the source of the products bearing the two marks. Both marks PHILIPS and PHILCOM come from the corporate names of the parties. It can not be denied that PHILCOM is well known in the telecommunication industry and by its clients. Confusion on the source of the products bearing that mark is not possible.
- "6. Respondent-Applicant has used the mark PHILCOM continuously and extensively such that it has already acquired goodwill and prestige that will discount it from being confused with other marks.
- "7. It is also significant to point that Opposer's mark PHILIPS is used for classes 7, 8, 9, 10, 11, 14 and 16 or on goods covered by those classifications. It is not registered or applied for registration for any kind of services specifically International Communication Services (class 38) which is the classification subject of the application of Respondent-Applicant's mark PHILCOM. Neither could it be said that Opposer, a corporation wholly owned by a foreign entity, can engage in the Communication Services in the future, as it is an industry protected and reserved by our laws for corporation, 60% of the equity of which must be owned by Filipino citizens. (Art. XII, Sec. 11, 1987 Constitution). Clearly, this distinction paves the way for the registration of Respondent-Applicant's mark PHILCOM and negates all claims of confusing similarity."

As all issues have been joined, this office called this case for Pre-trial. Failing to reach an amicable settlement, the parties went into trial and presented their respective evidences both documentary and testimonial.

The only issue to be resolved in this particular case is WHETHER or not Respondent's trademark "PHILCOM" is confusingly similar to that of Opposer's mark "PHILIPS".

Considering that the application subject of the opposition proceeding is filed under the Old Law, R.A. 166 as amended, and is now for resolution, thereby rendering impractical to so amend it in conformity with R.A. 8293 without adversely affecting rights already acquired prior to the effectivity of the new law (SEC.286 SUPRA), this Office undertakes to resolve the case under the former law, R.A. 166 as amended, more particularly SEC. 4(d) which provides.

"Section 4. - Registration of trademarks, trade names 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 a trademark, tradenames, service marks used to distinguish his goods, business or services from the goods, business, or service of others shall have the right to register the same on the Principal register, unless it:

xxx

- d) Consists of or comprises a mark or tradename which so resembles a mark or tradename registered in the Philippines or a mark or tradename previously used 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.

By comparison, the two marks in question are presented to the public in different styles of writing and methods of design, to wit:

1. The word PHILCOM which is Respondent-Applicant's mark is COLORED RED while Opposer's mark 'PHILIPS' appears entirely in COLOR BLACK;
2. In the trademark 'PHILCOM', only the first letter "P" and fifth letter "C" are written in capital letter; while the mark 'PHILIPS' all the letters composing it are written in capital letters;
3. The mark "PHILCOM" is preceded by black sphere-like figure with silver disk at its lower middle portion and extended lines cutting through the entire device, while the mark "PHILIPS" it is not preceded by any such device and instead found inside a shield-like figure where the word "PHILIPS" appears above a circle enclosing three wavy horizontal lines bounded by four pointed stars above their upper left and lower right portions.

The attention of the Office was called not only to the postulate that in determining whether likelihood of confusion exist, a variety of factors should be considered, but also to the doctrine enunciated by the Supreme Court in the case of "Mead Johnson & Co. vs Director of Patents, et.al.", 17 SCRA 131, that in determining whether two trademarks are confusingly similar, the trademarks in their entirety as they appear in their respective labels must be considered in relation to the goods to which they are attached and that the discerning eye of the observers must focus not only on the dominant words but also on the other features of the labels.

Guided by the said postulate and doctrine, the Office could not consider the allegation of the Opposer that Respondent-Applicant's trademark "PHILCOM" is confusingly similar with its trademark "PHILIPS".

It must be pointed out that cursory examination and visual comparison of the contending trademarks would disclose that there are some striking differences not to mention the fact that both marks when pronounced are entirely distinct and different from each other.

Although both marks consist of two (2) syllables, "PHIL" and "COM" and "PHIL" and "LIPS", when both marks are advertised over the radio, the sounds are different.

The fact that Respondent-Applicant's mark "PHILCOM" contains the four (4) letters "PHIL", does not make it confusingly similar to Opposer's mark "PHILIPS". In fact the following marks containing the word "PHIL" are already registered with the BPTTT now IPO, in favor of different persons/entities which is a very clear indication that this office finds that confusion does not exist.

1. PHILITALIA - Cert. Of Reg. No. 52715
2. PHILCRAFT - Cert. Of Reg. No. 49776
3. PHILPOS - Cert. Of Reg. No. 50702
4. PHILFLEX - Cert. Of Reg. No. 56331
5. PHILINE - Cert. Of Reg. No. 52671
6. PHILSHINE - Cert. Of Reg. No. 54721
7. PHILOGIN - Cert. Of Reg. No. 50277
8. PHILOX - Cert. Of Reg. No. 53350

Deserving attention at this point is the fact the Opposer's mark ("Philips" and device) are being used on a variety of goods and services falling under classes: 7, 8, 9, 10, 11, 14, 16, 20, 24, 37 and 45 while on the other hand, Respondent-Applicant's mark is used only on telecommunication business under class 38 of the international classification of goods which falls under an entirely and different class, thus, the competing marks cover different goods hence, confusion, mistake or deception is quite remote.

A rule well recognized in the jurisdiction is that where the product, on which the mark being used is identical or similar with that of another, is entirely different unrelated to the product of the latter, the use by the junior user of the identical mark is unlikely to cause confusion or mistake as to the source or origin of the product. Hence, the mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others on unrelated articles of different kind. (ESSO Standard Eastern, Inc., vs Court of Appeals, 116 SCRA 336).

WHEREFORE, viewed in the light of all the foregoing, this Office finds and so holds that Opposer has not successfully made out a clear case of opposition, hence, the instant Opposition is, as it is, hereby DENIED. Accordingly, Respondent-Applicant's trademark "PHILCOM", bearing Serial No. 81884 is hereby GIVEN DUE COURSE.

Let the file wrapper of this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau for appropriate action in accordance with this DECISION with a copy thereof to be furnished the Bureau of Trademarks (BOT) for information and update of its record.

SO ORDERED.

Makati City, 20 August 2001.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs