

SCHWABE GMBH
(not known as VOSSLOH SCHWABE GMBH)
Opposer,

-versus-

SALVADOR C. SANTOS, JR.
Respondent-Applicant.

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INTER PARTES CASE NO. 3929
Opposition to:

Appln. Serial No. 81212
Filed: June 19, 1992
Trademark: "SCHUABE & LOGO"

Decision No. 97-03

DECISION

This is an opposition to the application filed on June 19, 1992 by Respondent-Applicant Salvador C. Santos (hereinafter called Respondent-Applicant), with residence at 5 Mustang Street, Brixton Ville Subdivision, Novaliches, Quezon City, for the registration of the trademark "SCHUABE & S DEVICE" used on ballast, lamp holder, starter holder, safety switch, starter for fluorescent lamp and flat iron which was published in the BPTTT Official Gazette, May and June 1993, Vol. VI, No. 3, page 90, and released on July 29, 1993.

Opposer SCHWABE GMBH (now known as Vossloh Schwabe GMBH, (hereinafter called Opposer), a corporation organized and established under the laws of Germany, with principal office address at Wasentrabe, 25, D-7065, Federal Republic of Germany, among other things, relied on the following grounds as basis of its opposition, to wit:

THE MARK "SCHUABE & LOGO" IS A PLAIN, SIMPLE AND UNLAWFUL IMITATION OF THE REGISTERED MARK "SCHWABE & LOGO" OF OPPOSER, THE REGISTRATION OF THE OPPOSED APPLICATION IN THE NAME OF RESPONDENT-APPLICANT IS PRESCRIBED BY SEC. 4(D) OF REPUBLIC ACT NO. 166, AS AMENDED,

Opposer relied on the following facts to support its opposition:

"1. The mark "SCHUABE & LOGO" as used for ballast, lamp holder, starter holder, safety switch, starter for fluorescent lamp, circular lamp and flat iron is plain and simple imitation of the Opposer's registered trademark "SCHWABE & LOGO", is obviously designed and intended to ride on the goodwill of the well-known and registered mark of the Opposer, and is confusingly imitative and similar to the trademark "SCHWABE & LOGO" which is registered under Certificate of Registration No. 48173 issued on May 29, 1990 by the Bureau of Patents, Trademarks and Technology Transfer and used also on electrical and electronic apparatus and instruments and particularly chokes, ballasts, transformers, electric circuits and their components, tubes: it is a wonder that the patent office examiner has even allowed applicant's application to be processed and published notwithstanding the very clear intention to register a mark strikingly identical and or/or similar to a registered and protected mark.

2. The Opposer is the prior user and registrant of the trademark "SCHWABE & LOGO" in the Philippines, having used the said trademark in commerce in the Philippines since long before the alleged use of the mark herein opposed and used the same on its products long prior to Respondent-Applicant's above indicated application.

3. The use by Respondent-Applicant of the mark "SCHUABE & LOGO" and its registration thereof in its name would falsely suggest to the unwary purchasers a connection with the business of the Opposer, or that the goods of respondent-applicant might be mistaken as having originated from the Opposer".

On September 23, 1993, Opposer submitted its verified notice of opposition to the aforesaid application. Thereafter, the Bureau sent a Notice to Answer dated November 5, 1993, requiring Respondent-Applicant to answer the verified notice of opposition within fifteen (15) days from receipt thereof. On December 3, 1993, Counsel for Respondent-Applicant filed an urgent motion for extension of time to file answer claiming unavailability of records for Respondent-Applicant who was abroad at that time, which this Office granted per Order No. 93852 dated December 9, 1993, BPTTT giving Respondent-Applicant a period of seven (7) days from January 14, 1994 or until January 21, 1994 within which to file its answer to the Opposition. In the meanwhile, on May 9, 1994, Opposer formally sent notice to the Bureau of the change of its corporate name (Exh. "G-2").

Thereafter, on August 11, 1994, Opposer filed a motion to declare Respondent-Applicant in default for failure to submit an answer despite the grant of extended period of time to submit the same. Finding said motion to be meritorious, this Bureau thereafter issued Order No. 94-516 declaring Respondent-Applicant in default.

Consequently, on September 20, 1994, Opposer presented its evidence ex-parte, and formally offered its evidence on October 5, 1994. Thereafter, Opposer filed its Memorandum on October 13, 1994.

The sole issue to be resolved in this case is whether or not the application for registration of the trademark "SCHUABE & S DEVICE" by Respondent-Applicant constitutes a violation Sec. 4(d) of Republic Act No. 166, as amended, which reads as follows:

"Sec. 4. Registration of trademark, tradename, and service mark 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 the trademark, tradename or service mark used to distinguish his goods, business or services from the goods business or services of others shall have the right to register the same on the principal register, unless it

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(d) Consists of or comprises 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"

The mark SCHUABE & LOGO shown in EXH. "N", used for ballast, lamp holder, starter holder, safety switch, starter for fluorescent lamp, transformer, electric fuse, fluorescent lamp, circular lamp and flat iron applied for by herein Respondent-Applicant is confusingly similar to Opposer's registered trademark SCHWABE & LOGO, registered under Certificate of Registration No. 48173 issued May 29, 1990, (Exh. "F") also used on electrical and electronic apparatus and instruments particularly chokes, ballasts, transformers electric circuits and their components tubes, which goods are not only similar but related and competing to each other that to allow Respondent-Applicant's trademark would likely result in confusion, deception and mistake on the part of the buying public which could be misled to believe that the product of herein Respondent-Applicant came from Opposer.

In *Converse Rubber Corp. vs. Universal Rubber Products, Inc.* 147 SCRA 154, the Supreme Court ruled that:

"The determinative factor in ascertaining whether or not marks are confusingly similar to each other is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether use of such mark would likely cause confusion or mistake on the part of the buying public. The risk of damage is not limited to a possible confusion of goods but also

includes confusion or reputation if the public could reasonably assume that the goods of the parties originated from the same source.”

Verily, the use of trademark “SCHUABE” would likely confuse and/or deceive the indiscriminating public that such trademark is the same as the trademark “SCHWABE”. The interchanging of the letter “U” for “W” is all but a ruse to give its mark a semblance of ingenuity calculated to escape liability from infringement. The law requires that in the adoption of a mark there should not be any likelihood of confusion, mistake or deception to the consumer (Phil. Refining Co., Inc., vs. Ng Sam, 115 SCRA 472). These features are present in the case at bar.

Further, the deception does not only affect consumers but also sellers of the products as well due to the fact that in the ordinary course of business, transactions are normally carried out verbally. Thus, by reason of similarity in the pronunciation of two subject marks, sellers would rely on pure guesswork as to which of the two products will satisfy purchaser's preference. Certainly, Respondent-Applicant cannot simply ride on the goodwill generated by Opposer who has been and is using the subject mark ahead of the former.

IN VIEW THEREOF, the instant Opposition is, as it is hereby, SUSTAINED. Accordingly, Respondent-Applicant's application Serial No. 81212 filed on June 19, 1992 for the registration of the trademark “SCHUABE & S DEVICE” used on ballast, lamp holder, starter, bolder, safety switch, starter for fluorescent lamp, transformer, electric fuse, fluorescent lamp, circular lamp and flat iron is, as it is hereby, REJECTED.

Let the filewrapper of this case be forwarded to the Application, Issuance and Publication Division for appropriate action in accordance with this Decision with a copy to be furnished the Trademark Examining Division for information and to update its record.

SO ORDERED.

Makati City, October 28, 1997.

EMMA C. FRANCISCO
Director