



OFFICE OF THE DIRECTOR GENERAL

CYMAR INTERNATIONAL, INC.
Applicant-Appellant,

- versus -

DIRECTOR OF THE BUREAU
OF TRADEMARKS

Appellee.

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Appeal No. 04-2010-0015

Application No. 4-2006-007441
Date Filed: 11 July 2006

Trademark: NAILS, NAIL
POLISH REMOVER

DECISION

CYMAR INTERNATIONAL, INC., ("Appellant") appeals the Decision, dated 01 September 2010, and Resolution, dated 28 October 2010, of the Director of the Bureau of Trademarks ("Director") sustaining the final rejection of the Appellant's application to register the mark "Nails, Nail Polish Remover" for nail polish remover and cuticle remover under Class 03.

Records show that the Appellant filed on 11 July 2006 the trademark application. The Examiner-in-Charge ("Examiner") issued an official action¹ stating, among other things, that the Appellant's mark consists exclusively of signs that are generic for the goods or services that they seek to identify. The Appellant submitted a later dated 08 January 2007 claiming that the mark sought to be registered is not generic to the goods or services it seeks to identify, "because the Applicant sought to register the trademark 'NAILS' for Cuticle and Polish Remover and not 'NAILS' NAIL POLISH REMOVER."

The Examiner issued another official action² reiterating her findings that the mark "NAILS" is descriptive of the kind, nature, quality and other characteristics of the goods. According to the Examiner, the mark immediately connotes that it is to be used for the nails. An average consumer does not have to employ some degree of imagination or perception to know the goods for which the mark will be used.

For failure to respond to the official action, the application was deemed abandoned with finality in accordance with Rules 614 and 615 of the Trademark Regulations.³ Thus, on 20 September 2007, the Appellant filed a Petition for Revival, claiming that it had no intention to abandon the application, and that its failure to respond to the official action was only due to inadvertence and oversight.

¹ Paper No. 2, mailed 19 December 2006.

² Paper No. 04, mailed 15 February 2007.

³ Paper No. 05.

Subsequently, the Examiner issued a FINAL REJECTION⁴ of the Appellant's trademark application. The Appellant appealed to the Director, raising its long continuous use of the subject mark since 1988, and on this basis, claimed secondary meaning. It also cited the previous registration of its sister company of the mark "NAILS" on 07 October 1991 as proof of the registrability of its mark. Nevertheless, the Director denied the appeal and sustained the final rejection of the trademark application.

On 13 December 2010, the Appellant filed an "APPEAL MEMORANDUM" reiterating its arguments that its mark has acquired secondary meaning, not only because of its lengthy use but rather because it created the required identification or perception of the Appellant in the public mind as the producer or seller of the products.

The Director filed on 11 February 2011 her "COMMENT" contending that the principle of secondary meaning is unavailing because contrary to the Appellant's position, generic marks such as the subject mark cannot acquire secondary meaning under the trademark law. The Director also maintained that aside from the fact that the mark is generic, the Appellant failed to present sufficient evidence to prove that its continuous use in commerce in the Philippines has caused the mark to become distinctive for the goods it identifies. She argued that the mere submission of sales invoices and product registrations with the Bureau of Food and Drugs is not sufficient to prove acquired distinctiveness.

The issue in this appeal is whether the Director was correct in sustaining the final rejection of the Appellant's application to register the mark "NAILS, NAIL POLISH REMOVER" for nail polish remover and cuticle remover under Class 03.

In this regard, Sec. 123.1 (j) of the Intellectual Property Code of the Philippines ("IP Code") provides that a mark cannot be registered if it:

(j) Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time, or production of the goods or rendering of the services, or other characteristics of the goods or services;

Accordingly, descriptive marks or those signs or indications that may serve in trade to designate the kind, quality, quantity, intended purpose or geographical origin or other characteristics of the goods cannot be registered.

The reason for this is that inasmuch as all persons have an equal right to produce and vend similar articles, they also have the right to describe them properly and to use any appropriate language or words for that purpose, and no person can appropriate exclusively any word or expression, properly descriptive of the article, its qualities, ingredients, or characteristics, and thus limit other persons in the use of language appropriate to the description of their manufactures, the right to the use of such language being common to all. As to whether words employed are within this prohibition, it is said that the true test is not whether they are exhaustively descriptive

⁴ Paper No. 07, mailed 31 January 2008.



of the article designated, but whether in themselves, and as they are commonly used by those who understand their meaning, they are reasonably indicative and descriptive of the thing intended. If they are thus descriptive, and not arbitrary, they cannot be appropriated from general use and become the exclusive property of anyone.⁵ It cannot be registered for to do so would exclude others who are also engage in producing similar products and using the same words in their similar trade or services. Descriptive terms, which may be used to describe the product adequately, cannot be monopolized by a single user and are available to all.⁶

Despite this, the Appellant claims that it is covered under the principle of secondary meaning under Section 123.2 of the IP Code, which states:

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

123.2. As regards signs or devices mentioned in paragraphs (j), (k), and (l), nothing shall prevent the registration of any such sign or device which has become distinctive in relation to the goods for which registration is requested as a result of the use that have been made of it in commerce in the Philippines. The Office may accept as prima facie evidence that the mark has become distinctive, as used in connection with the applicant's goods or services in commerce, proof of substantially exclusive and continuous use thereof by the applicant in commerce in the Philippines for five (5) years before the date on which the claim of distinctiveness is made.

To support its claim of distinctiveness, the Appellant submitted three (3) certificates of registration with the Bureau of Food and Drug (BFAD) and ten (10) sales invoices dating from 2004 to 2006.

The doctrine of secondary meaning embodied in Section 123.2 of the IP Code provides that a word or phrase originally incapable of exclusive appropriation with reference to an article of the market, because geographically or otherwise descriptive, might nevertheless have been used so long and so exclusively by one producer with reference to his article that, in that trade and to that branch of the purchasing public, the word or phrase has come to mean that the article was his product.⁷ For this doctrine to apply, the applicant's use must have not only been for a continuous period of five (5) years, but more importantly, such use must be *exclusive* in nature. As correctly held by the Director:

In the instant case, the documentary evidence submitted by the appellant only indicates use of the mark but does not prove that the word NAILS has become exclusively associated to appellant's goods. Incidentally, appellant cannot claim to have exclusively used or appropriated the word NAILS for its nail polish or cuticle remover. The records bear out that other trademark owners have appropriated the word NAILS to their own composite marks, thereby suggesting that the word NAILS has not acquired an inherent distinctiveness that would immediately suggest that cuticle remover or nail

⁵ See *Ong Ai Gui Alias Tan Ai Gui vs. Director of the Philippines Patent Office*, G. R. No. L-6235, 28 March 1955 citing 52 Am. Jur. 542-543.

⁶ See *Vicente B. Amador*, Trademarks Under The Intellectual Property Code, 1999, page 22.

⁷ *Anna L. Ang vs. Toribio Teodoro*, G.R. No. L-48226, 14 December 1942, citing *G. & C. Merriam Co. vs. Salfield*, 198 F., 369, 373.

polish bearing the mark NALS belong to the appellant. Appellant has not shown that when these marks applied for registration, appellant took measures to oppose their allowance, much less proceeded to seek their cancellation. If appellant was of the belief that the word NAILS exclusively identified their products, then it should have prevented other marks owners from appropriating the mark.

In addition, this Office agrees with the findings of the Director that the subject mark is a generic mark the registration of which is proscribed under Section 123.1 (h) of the IP Code, to wit:

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

(h) Consists exclusively of signs that are generic for the goods or services that they seek to identify.

In this regard, the Supreme Court has held in the case of *Societe Des Produits Nestle S.A. vs. Court of Appeals*⁸ that:

Generic terms are those which constitute "the common descriptive name of an article or substance," or comprise the "genus of which the particular product is a species," or are "commonly used as the name or description of a kind of goods," or "imply reference to every member of a genus and the exclusion of individuating characters," or "refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product," and are not legally protectable.

In the present case, the mark "NAILS, NAIL POLISH REMOVER" is obviously generic to the goods being applied for, which are nail polish remover and cuticle remover. The combination of the word "NAILS" with "NAIL POLISH REMOVER" does not change the meaning of the word in relation to the goods, and it in fact emphasizes the goods for which the mark will be used.

The Appellant's claim of secondary meaning is likewise unavailing, for as stated by the Director, generic goods whose registration are proscribed under Section 123.1 (h) do not susceptible to the exception of secondary meaning under Section 123.2. In *Ong Ai Gui vs. Director of Patents*⁹, the Supreme Court explicitly held that the use of a generic term as part of a trademark or tradename is always conditional and subject to the limitation that the registrant does not acquire the exclusive right to the generic term. According to the Court, generic words like "nylon" is a generic term that cannot be appropriated for exclusive use by anyone and because of its nature, such word can never acquire secondary meaning. The Court further added that no length of use and no amount of advertising will make a generic word distinctive.

⁸ 356 SCRA 207, citing Federal Unfair Competition Law: Lanham Act. § 43(a).

⁹ G.R. No. L-6235, 28 March 1955.

WHEREFORE, premises considered, the appeal is hereby DISMISSED. Trademark Application No. 4-2006-007441 for nail polish remover and cuticle remover is hereby rejected.

Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Trademarks. Let a copy of this Decision be furnished also to the library of the Documentation, Information and Technology Transfer Bureau for its information and records purposes.

SO ORDERED.

SEP 19 2012 Taguig City.


RICARDO R. BLANCAFLOR
Director General 