OFFICE OF THE DIRECTOR GENERAL

NEW BARBIZON FASHION, INC.,
Appellant,

-versus-

YUP IN SHI,
Appellee.
x----------x

Appeal No. 14-2012-0052
IPC No. 14-2011-00278

Opposition To:
Application No. 4-2010-010249
Date Filed: 20 September 2010
Trademark: "MONALIZA"

DECISION

NEW BARBIZON FASHION, INC ("Appellant"), appeals Decision No. 2012-100, dated 19 June 2012, of the Director of the Bureau of Legal Affairs ("Director"), denying the Notice of Opposition filed by it against Trademark Application No. 4-2010-010249 filed by **YUP IN SHI** ("Appellee") on 20 September 2010 for the mark "MONALIZA". The said application filed by Appellee covers "cosmetic products, namely, eye shadow, lotion, shampoo, perfume" under class 3 of the International Classification of Goods and Services.

On 12 September 2011, the Appellant filed a Notice of Opposition of the subject application, essentially alleging that it is the first to adopt, apply for, and register the mark MONALISA in the Philippines under Registration Nos. 35291 and 43864, issued on 13 February 1986 and 19 April 1989, and that the mark "MONALIZA", as filed under Trademark Application No. 4-2010-010249 is confusingly similar with such prior registered marks.

Records show that Appellant has registered its mark MONALIZA under Registration No. 035291 covering the goods "lingerie, bra, brassieres, panties, girdles, nightgowns, half slips pajama sets" under Class 25 of the International Classification of Goods and Services. It was likewise registered under Registration No. 043864 covering the goods "infants wear, tie-side, t-shirt, sweaters and short, ladies and children's dresses", under Class 25.

On 5 October 2011, Appellant received a copy of the Notice to Answer dated September 23, 2011 issued by the Director, requiring the Appellee to file his Verified Answer within thirty (30) days from notice. On 12 March 2012, the Director issued an Order declaring Appellee in default for failure to file a Verified Answer, hence the case was deemed submitted for resolution.

After the appropriate proceedings, the Director rendered the subject Decision denying the Appellant's Notice of Opposition. In the Decision, the Director noted that the competing marks are exactly the same or identical, when pronounced. However, the goods or products of each mark are different from each other. The Appellant's registered mark is under Class 25, and the mark subject of the Appellee's trademark application covers goods under Class 3. Accordingly, the Director ruled that the competing marks are not confusingly similar, hence the Appellee's trademark application is not proscribed by Sec. 123.1 (d) of R.A. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code").

Dissatisfied, the Appellant filed on 3 August 2012, via registered mail, the subject appeal, praying that the assailed Decision be reversed, and that the trademark application of the Appellee be rejected. In its Memorandum of Appeal, the Appellant alleged that the Bureau of Legal Affairs committed patent and palpable errors in denying the Notice of Opposition mainly on the ground that Appellee's mark "MONALIZA" mark is not confusingly similar with the Appellant's "MONA LISA" mark. The Appellant also argued that the goods subject of the competing marks are actually related and/or connected.

On 18 September 2012, this Office issued an Order giving the Appellee thirty (30) days from receipt of the same, to submit its comment on the appeal. In an order dated 15 February 2013, this Office declared that since the Appellee had not filed a comment on time, it was deemed to have waived its right to file the same. Accordingly, pursuant to Section 8 of the Uniform Rules on Appeal, as amended, the appeal was deemed submitted for decision.

Proceeding to the main issue of the present appeal, the question to be resolved is whether the Director was correct in denying the Notice of Opposition filed by the Appellant against the Appellee's trademark application over the mark "MONALIZA".

The competing marks are illustrated below for comparison:

mona lisa	Monaliza
Mona Lisa	
Appellant's Mark "MONA LISA"	*Appellee's Mark "MONALIZA"*

Appellant invokes Section 123.1 (d) of R.A. 8293 to wit;

> Section 123. Registrability – 123.1. A mark cannot be registered if it:
>
> xxx xxx xxx
>
> (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.

There is no dispute that the Appellant had registered in the Philippines the mark "MONA LISA" prior to the filing of the Appellee's trademark application. Such trademarks were registered for goods under Class 25, namely, lingerie, bra, brassieres, panties, girdles, nightgowns, half slips pajama sets and for infants wear, tie-side, t-shirt, sweaters and short, ladies and children's dresses. The only issue herein is whether the Appellee's mark being applied for is confusingly similar with the Appellant's registered marks.

Applying the foregoing to the present case, this Office notes that the competing marks involved are exactly the same or identical when pronounced, and that the spelling is almost the same, as the letter "S" in Appellant's mark "MONA LISA" was merely replaced with the letter "Z" to form the Appellee's mark "MONALIZA". However, this Office agrees with the Director that there is no confusing similarity between the two marks that would cause deception to the public, as the goods covered by such marks are completely unrelated and non-competing.

In determining the existence of confusing similarity, there are two (2) types of confusion. The first is "confusion of goods" when an otherwise prudent purchaser is induced to purchase one product in the belief that he is purchasing another, in which case defendant's goods are then bought as the plaintiff's and its poor quality reflects badly on the plaintiff's reputation. The other is "confusion of business" wherein the goods of the parties are different but the defendant's product can reasonably (though mistakenly) be assumed to originate from the plaintiff, thus deceiving the public into believing that there is some connection between the plaintiff and defendant which, in fact, does not exist.[1]

Confusion of goods is evident where the litigants are actually in competition; but confusion of business may arise between non-competing interests as well. Non-competing goods may be those which, though they are not in actual competition, are so related to each other that it can reasonably be assumed that they originate from one manufacturer, in which case, confusion of business can arise out of the use of similar marks. They may also be those which, being entirely unrelated, cannot be assumed to have a

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[1] *Mighty Corporation vs. E & J Gallo Winery*, G.R. No. 154342, 14 July 2004; *Sterling Products, International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft*, 27 SCRA 1214.

common source; hence, there is no confusion of business, even though similar marks are used.[2] Thus, there is no confusion if the public does not expect the plaintiff to make or sell the same class of goods as those made or sold by the defendant.[3]

Applying the foregoing to the present case, this Office notes that the Appellant's marks are used on ladies wear and clothing. Obviously, there is no commonality between the two kinds or classes of goods in terms of composition, purpose, and/or use. Hence, it is inconceivable for a consumer looking to procure or buy the Appellant's products, to be deceived or to commit a mistake by purchasing the Appellee's products instead, and *vice-versa*. Corollarily, it is unlikely that the consumer who purposely sought to buy the Appellee's products will associate such products to the Appellant's marks or his business.

Moreover, a certificate of trademark registration confers upon the trademark owner the exclusive right to use the same in connection with the goods or services and those that are related thereto specified in such registration. Hence, the protection given to the Appellant's registered mark "MONA LISA" is limited to the goods and services, and those related thereto, as specified in the corresponding certificates of registration. The Appellant's certificates of registration only show protection for ladies wear and clothing, which are not in any way related to the Appellee's goods of lipstick, eye shadow, lotion, shampoo, among others. The protection given to the Appellant's products bearing the mark "MONA LISA" cannot extend to the entirely different goods of the Appellee's products.

In the case of *Faberge, Incorporated vs. Intermediate Appellate Court*[4], the Supreme Court sustained the Director of Patents which allowed the junior user to use the Trademark of the senior user on the ground that the briefs manufactured by the junior user, the product for which the trademark "BRUTE" was sought to be registered, was unrelated and non-competing with the products of the senior user consisting of after shave lotion, shaving cream, deodorant, talcum powder, and toilet soap.

With the finding that the competing marks are not confusingly similar, there is no likelihood of misleading the public as to the nature, quality, or characteristics of the goods of the Appellee under Section 123.1 (g) of the IP Code The evidence of the Appellant failed to establish that the Appellee's mark "MONALIZA" is confusingly similar with its "MONA LISA" marks. Neither was there any proof of connection or damage to the Appellant's marks arising from the Appellee's use of "MONALIZA". With the foregoing pronouncements, this Office finds no cogent reason to disturb the Decision of the Director, as the same are fully supported by the evidence on record in the present case.

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2 *Ibid., citing, Esso Standard Eastern, Inc. vs. Court of Appeals*, G.R. No. L-29971, 31 August 1982.
3 *Ibid., citing* I CALLMAN 1121 cited in *Philippine Refining Co., Inc. vs. Ng Sam*, G.R. No. L-26676, 30 July 1982.
4 215 SCRA 326 (1992)

WHEREFORE, premises considered, the appeal is hereby DISMISSED. Let a copy of this Decision and the records of this case be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this Decision for information, guidance, and records purposes.

SO ORDERED.

SEP 02 2013 Taguig City.

RICARDO R. BLANCAFLOR
Director General