



ABERCROMBIE & FITCH EUROPE SA,
Opposer,

-versus-

SUYEN CORPORATION,
Respondent –Applicant.

X-----X

IPC No. 14-2012-00582
Opposition to:
Appln. Serial No. 4-2012-007644
Date Filed: 26 June 2012
TM: "FIERCE"

NOTICE OF DECISION

VIRGILAW
VIRGILIO M. DEL ROSARIO & PARTNERS
Counsel for the Opposer
The Peak, Unit 602, 107 L.P. Leviste Street
Salcedo Village, Makati City

MIGALLOS & LUNA LAW OFFICES
Counsel for Respondent-Applicant
7th Floor, The Phinma Plaza
39 Plaza Drive, Rockwell Center
Makati City

GREETINGS:

Please be informed that Decision No. 2014 - 89 dated March 31, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 31, 2014.

For the Director:

Edwin A. Dating
Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



ABERCROMBIE & FITCH EUROPE SA,

Opposer,

-versus-

SUYEN CORPORATION,

Respondent-Applicant.

X ----- X

IPC No. 14-2012-00582

Opposition to Trademark
Application No. 4-2012-007644
Date Filed: 26 June 2012

Trademark: **FIERCE**

Decision No. 2014- 89

DECISION

Abercrombie & Fitch Europe S.A.¹ (Opposer) filed an opposition to Trademark Application Serial No. 4-2012-007644. The contested application, filed by Suyen Corporation² (Respondent-Applicant), covers the mark "FIERCE" for use on *"body spray, body mist, cologne, eau de cologne, eau de toilette, eau de parfum, perfume, deo body spray, deo cologne, antiperspirant deodorant spray, antiperspirant deodorant roll-on, antiperspirant deodorant stick, hair mist, hair cologne, hair refreshener, hair wax, hair gel, hair cream, hair pomade, hair mousse, hair spray, hair color, hot oil, treatment products, body lotion, body cream, body scrub, shower gel, shower cream, shampoo, conditioner, facial wash, facial toner, facial moisturizer, facial astringent, facial scrub, facial exfoliant; facial mask, facial cream, spot/blemish gel, spot/blemish cream, pore strip, nail polish, nail polish remover, cuticle remover, nail care products, hand moisturizer, talcum powder, body oil, cream oil, petroleum jelly, foot powder, foot scrub, foot lotion, foot deodorizing spray, bath salt, bath gel, bubble bath, bath soap, facial soap, hand soap, foundation, face powder, eyebrow pencil, eyebrow powder, eye shadow, eye pencil liner, mascara, lipstick, lip liner, lip gloss, bronzer, blush on powder, cheek and lip tint, concealer, tinted moisturizer, makeup primer, makeup remover, body shimmer, hand soap and hand gel"* and *"hand sanitizer, isopropyl alcohol, alcohol for pharmaceutical preparations, reed diffuser, air freshener, linen mist"* under Classes 03 and 05 of the International Classification of Goods³.

According to Opposer, it first used its "FIERCE" mark in 2002 as a signature scent for its stores and for men's cologne. Its products are sold and marketed in stores it maintains in at least fifteen (15) countries and through its website www.bercrombie.com/webapp/wcs/stores.com, which is available all over the world, including the Philippines. It approximates its sales to amount to US \$540 Million while that of its online sales is at least US \$18.6 Million. It claims to be the

¹ A corporation organized and existing under the laws of Switzerland with address at Via Moree 6850 Mendriso, Switzerland.

² With address at 2214 Tolentino Street, Pasay City, Metro Manila, Philippines.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks concluded in 1957.

Republic of the Philippines

INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center, 28 Upper McKinley Road, McKinley Hill Town Center
Fort Bonifacio, Taguig City 1634 Philippines

T: +632-2386300 • F: +632-55394830 • www.ipophil.gov.ph

most popular and number one selling perfume in the United States of America (U.S.) and boasts its award as scent marketers of the year in 2011 given at the ScentWorld Expo.

Opposer moreover avers that it first filed in the U.S. an application to register its mark "FIERCE" on 20 June 2002, obtaining a trademark registration designation on 6 May 2003 under Registration No. 2,713,598. It maintains that it also secured registrations of its mark in Office for Harmonization in the Internal Market (OHIM), Federal Institute of Intellectual Property and in thirty-four (34) other countries. In the Philippines, it filed an application designated as Trademark Application Serial No. 4-2013-5000071. It asserts ownership and prior use over the said mark bewailing Respondent-Applicant's attempt to usurp the same by filing the contested application. It contends that in view of its extensive marketing efforts, the goodwill attached to its mark has become immeasurable. It claims to be active in defending its right over the mark "FIERCE" citing the lawsuit it filed against the singer Beyonce Knowles for the latter's adoption of "SASHA FIERCE" for fragrances, resulting in the abandonment of the application.

In support of its opposition, the Opposer submitted the following as evidence:

1. print-out of Respondent-Applicant's mark "FIERCE" as published in the e-Gazette;
2. Opposer's online sales of its fierce products;
3. Certified copies of its registration in the United States, OHIM and Federal Institute of Intellectual Property;
4. Representative samples of its registrations in various countries;
5. Affidavit-direct testimony of Mr. Reid M. Wilson; and
6. Copy of its 3rd Declaration of Actual Use (DAU).⁴

For its part, the Respondent-Applicant avers that it was incorporated in 1985 and has been manufacturing, distributing, marketing and selling apparel and lifestyle products under different brands and trademarks, including its flagship brand BENCH. When it started in 1987, BENCH initially offered only men's shirt but Respondent-Applicant has expanded its business to a complete range of apparel and lifestyle products. The trademark "BENCH" was first registered in the name of Respondent-Applicant on 30 June 1989.

Respondent-Applicant further states that on 27 October 2012, it launched a line of scents inspired by local movie and television stars as part of its Celebrity Scents Collection, which includes the Anne Curtis Scents Collection. It avers that under the *eu de toilette* line, the marks were particularly adopted to capture the facet of a modern woman's personality which Anne Curtis conveys: "FIERCE", to

⁴ Marked as Exhibits "C" to "I", inclusive.

highlight confidence and fearlessness; "SWEETHEART" to represent her fun-loving and adorable side; and "GLAMOROUS" to exhibit her sophisticated style. Prior to the adoption of the aforementioned marks and as part of its standard processes prior to using any brand, the Respondent-Applicant's marketing team allegedly conducted a survey of the Philippine market including the channel of trade of its products and a trademark search before the Intellectual Property Office of the Philippines (IPOP HL). It claims that it did not find any "FIERCE" fragrance product sold or market in the Philippines or any pending trademark application for the same. Thus, it filed an application for registration of the said mark on 16 June 2012.

The Respondent-Applicant asserts that it extensively used and promoted the trademark "FIERCE". It insists that it does not rely on any goodwill created by any trademark of other entities reiterating that there is no other fragrance product in the Philippine market bearing the mark "FIERCE". It also asserts that there has been no inquiry or comment from purchasers regarding the perceived association of its products to any other "FIERCE" products.

The Respondent-Applicant's evidence consists of the following:

1. affidavit of Mr. Dale Gerald G. Dela Cruz;
2. photocopies of Certificate of Registration Nos. 45545, 42012000750, 42012000751, 42012000742 and 059967;
3. complete list of celebrity endorsers and scents inspired by them;
4. photographs of promotional posters for selected scents under Respondent-Applicant's Celebrity Scents Collection;
5. photographs of the Anne Curtis Scents Collection products from Respondent-Applicant's website and online shop;
6. pictures of products bearing its "FIERCE" trademark as sold in the market;
7. images taken at the "Fashion Concerto" in SM Mall of Asia;
8. certified true copies of several print advertisements in newspapers and magazines;
9. images of the promotional items of the Anne Curtis Collection, which includes "FIERCE";
10. screen shots of the BENCH website featuring Celebrity Scents Collection; and,
11. list of stores currently selling the "FIERCE" product.⁵

Pursuant to Office Order No. 154, s. 2010, the Hearing Officer referred the case to mediation. On 03 October 2013, this Bureau's Alternative Dispute Resolution Services submitted a report that the parties refused to mediate. Accordingly, the Hearing Officer conducted and terminated the preliminary conference on 04

⁵ Exhibits "1" to "12", inclusive.

February 2014 wherein the parties were directed to submit their respective position papers. After which, the case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the mark "FIERCE" in its favor?

The contending marks are obviously identical without any substantial difference in their font style and manner of display. Moreover, the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's, particularly fragrances, which flow on the same channels of trade and both falling under Class 03. Thus, it is likely that the consumers will have the impression that these goods or products originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court in **Converse Rubber Corporation v. Universal Rubber Products Inc.**⁶, to wit:

"Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Hence, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist."

The public interest, therefore, requires that the two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. It is emphasized that the function of trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.⁷

The Respondent-Applicant's trademark application preceded the Opposer's. Records and evidence show that the Respondent-Applicant filed its application on 26 June 2012 while the Opposer did so on 09 January 2013.

⁶ G.R. No. L-27906, 08 January 1987.

⁷ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999.

In this regard, it is stressed that the Philippines implemented the TRIPS Agreement when the IP Code took into force and effect on 01 January 1998. Art. 15 of the TRIPS Agreement reads:

Section 2: Trademarks
Article 15
Protectable subject Matter

1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words, including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible.

2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provision of the Paris Convention (1967).

3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application.

4. The nature of the goods or services to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.

5. Members shall publish each trademark either before it is registered or promptly after it is registered and shall afford a reasonable opportunity for petitions to cancel the registration. In addition, Members may afford an opportunity for the registration of a trademark to be opposed.

Article 16 (1) of the TRIPS Agreement states:

1. The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Section 121.1 of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") adopted the definition of the mark under the old Law on Trademarks (R. A. No. 166), to wit:

121.1. "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)

Section 122 of the IP Code states:

Sec. 122. How Marks are Acquired. – The rights in a mark shall be acquired through registration made validly in accordance with the provisions of this law. (Sec. 2-A, R.A. No. 166a)

There is nothing in Section 122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in a mark shall be acquired through registration, which must be made validly in accordance with the provisions of the law.

Corollarily, Section 138 of the IP Code provides:

Sec. 138. Certificates of Registration. – A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. (Emphasis supplied)

Clearly, it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators not to recognize the preservation of existing rights of trademark owners at the time the IP Code took into effect.⁸ The registration system is not to be used in committing or perpetrating an unjust and unfair claim. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership. The IP Code implements the TRIPS Agreement and therefore, the idea of "registered owner" does not mean that ownership is established by mere registration but that registration establishes merely a presumptive right of ownership. That presumption of ownership yields to superior evidence of actual and real ownership of the trademark and to the TRIPS Agreement requirement that no existing prior rights shall be prejudiced. In **Berris v. Norvy Abyadang**⁹, the Supreme Court held:

"The ownership of a trademark is acquired by its registration and its actual use by the manufacturer or distributor of the goods made available to the purchasing public. Section 122 of R.A. No. 8293 provides that the rights in a mark shall be acquired by means of its valid registration with the IPO. A certificate of registration of a mark, once issued, constitutes prima facie evidence of the validity of the registration, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the

⁸ See Section 236 of the IP Code.

⁹ G.R. No. 183404, 13 October 2010.

same in connection with the goods or services and those that are related thereto specified in the certificate. R.A. No. 8293, however, requires the applicant for registration or the registrant to file a declaration of actual use (DAU) of the mark, with evidence to that effect, within three (3) years from the filing of the application for registration; otherwise, the application shall be refused or the mark shall be removed from the register. In other words, the prima facie presumption brought about by the registration of a mark may be challenged and overcome, in an appropriate action, by proof of the nullity of the registration or of non-use of the mark, except when excused.¹⁰ Moreover, the presumption may likewise be defeated by evidence of prior use by another person, i.e., it will controvert a claim of legal appropriation or of ownership based on registration by a subsequent user. This is because a trademark is a creation of use and belongs to one who first used it in trade or commerce."

Evidence submitted shows that a party other than the Respondent-Applicant has been using the mark "FIERCE" on perfume and related goods prior to the filing of Trademark Application Serial No. 4-2012-007644. The Opposer submitted evidence relating to the origin of its "FIERCE" trademark dating back to 2002, long before the filing of the Respondent-Applicant's trademark application or its alleged use of the contested mark. Noteworthy, the Respondent-Applicant does not dispute Opposer's prior appropriation of the "FIERCE" mark abroad, but merely contending that the latter has no commercial or significant use of the "FIERCE" mark in the Philippines. In fact it admitted that it only started launching its "FIERCE" mark sometime in 2012, or at least ten years from Opposer's first use thereof.

Because the parties are in the same line of business as far as perfumes and scents are concerned, it is inconceivable that the Respondent-Applicant is not aware of the existence of the Opposer's products with the brand/mark "FIERCE". What the Respondent-Applicant avers is that it is not aware of "FIERCE" products being sold in the Philippines when it contemplated filing the contested trademark application. In **Shangri-la International Hotel Management Ltd. vs. Developers Group of Companies, Inc.**¹¹, the Supreme Court made the following pronouncement:

"When a trademark copycat adopts the word portion of another's trademark as his own, there may still be some doubt that the adoption is intentional. But if he copies not only the word but also the word's exact font and lettering style and in addition, he copies also the logo portion of the trademark, the slightest doubt vanishes. It is then replaced by the certainty that the adoption was deliberate, malicious and in bad faith.

It is truly difficult to understand why, of the millions of terms and combination of letters and designs available, the respondent had to choose exactly the same mark and logo as that of the petitioners, if there was no intent to take advantage of the goodwill of petitioners' mark and logo."

¹¹ G.R. No. 159938, 31 March 2006.

Succinctly, the intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services. To allow Respondent-Applicant to register the subject mark will make trademark registration simply a contest as to who files an application first with the Office.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-007644 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 31 March 2014.



ATTY. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs