



EASTWIDE ENTERPRISES,
Opposer,

-versus-

COLT ANDERSON G. BARBASA &
JOHN CHRISTOPHER G. BARBASA,
Respondent- Applicant.

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}
} IPC No. 14-2013-00116
} Opposition to:
} Appln. Serial No. 4-2012-002292
} Date filed: 23 February 2012
} TM: "EGO WITH DEVICE"
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}
}
}

NOTICE OF DECISION

CLARENCE CLIFFORD F. DE GUZMAN
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COLT ANDERSON G. BARBASA
Respondent-Applicant
No. 3 Fernsville Street White Plains
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GREETINGS:

Please be informed that Decision No. 2013 - 228 dated November 26, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 26, 2013.

For the Director:

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



EASTWIDE ENTERPRISES,
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-versus-

**COLT ANDERSON G. BARBASA &
JOHN CHRISTOPHER G. BARBASA,**
Respondent-Applicants.

IPC No. 14-2013-00116
Opposition to Trademark
Application No. 4-2012-002292
Date Filed: 23 February 2012
Trademark: **"EGO WITH DEVICE"**

x ----- x

Decision No. 2013- 228

DECISION

Eastwide Enterprise¹ ("Opposer") filed on 26 April 2013 an opposition to Trademark Application Serial No. 4-2012-002292. The contested application, filed by Colat Anderson G. Barbasa & John Christopher G. Barbasa² (Respondent-Applicant), covers the mark "EGO WITH DEVICE" for use on *"electronic cigarette, personal vaporizers, e-juices and other accessories that are part of electronic cigarette"* under Class 34 of the International Classification of Goods³.

Opposer anchors its opposition on Section 123.1 (a), (d) and (f)⁴ as well as Section 165.2 (a) and (b)⁵. It argues that the Respondent-Applicant's mark "EGO WITH

¹ A business name registered with the Department of Trade and Industry owned by Christine Sio Bacia and Andy Ang with office address at Lot 1-6 Block 45 Salmon Street, Dagat-Dagatan, Malabon City.

² With address at 3 Fernsville St., White Plains, Quezon 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.

⁴ Section 123.1. A mark cannot be registered if it:

(a) Consists of immoral, deceptive or scandalous matter, or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt or disrepute;

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;

xxx

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use; xxx.

DEVICE" is confusingly similar with its registered marks and will ride in the popularity and goodwill of the latter.

Opposer states that it operates several branches of stores in various malls in the Philippines under the name "Lighters Galore" and that it is famous for selling cigarettes, lighters, electronic cigarettes and replacement electronic cigarettes cartridges. It maintains that it successfully registered the trademarks, "EG-T", "eGOTwist", "EGQ-U" and "E-health" with the Intellectual Property Office Philippines (IPOPHL). It claims that these mark have become popular and have established goodwill with the public, which has identified the products bearing the letters "E" and "EG" as sourced from Opposer. It avers that the long use and large amount spent in enforcing and protecting its trademarks generated goodwill for the same in the country. It asserts that it takes intellectual property rights seriously and has caused publication of several trademarks of the E-health cigarette on 24 September 2010 in the Philippine Star. It furthers that on 01 August 2011, together with the National Bureau Investigation, Intellectual Property Division (NBI-IPRD), it has confiscated counterfeit Ehealth cigarettes and arrested merchants involved in the sale of these goods.

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

1. pictures and/or actual original labels and boxes of its various trademarks bearing the mark "EGO";
2. certified true copy of the newspaper clipping of the Philippine Star dated 24 September 2010;
3. actual/original newspaper clipping of World News newspaper dated 24 September 2010 showing various trademarks registered by Opposer and warning the public against their infringement;
4. actual and original official receipt from the Philippine Star showing advertising expenses dated 23 September 2010;
5. certified tru copy of the newspaper clipping of Pilipino Ngayon Newspaper dated 02 August 2011; and
6. computer printouts of the registered trademarks of the Opposer.

On 17 May 2013, a Notice to Answer was served to Respondent-Applicant. However, the latter failed to comply. Thus, the Hearing Officer issued Order No. 2013-

⁵ Section 165.2. (a) Notwithstanding any laws or regulations providing for any obligation to register trade names, such names shall be protected, even prior to or without registration, against any unlawful act committed by third parties.

(b) In particular, any subsequent use of the trade name by a third party, whether as a trade name or a mark or collective mark, or any such use of a similar trade name or mark, likely to mislead the public, shall be deemed unlawful.

1197 on 03 September 2013 declaring Respondent-Applicantt in default and submitting the case of decision.

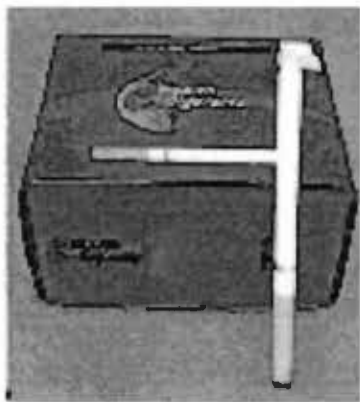
Now, the issue to be resolved is whether the trademark application of Respondent-Applicant should be granted.

A trademark is any distinctive word, name, symbol, emblem, sign, or device, or any combination thereof, adopted and used by a manufacturer or merchant on his goods to identify and distinguish them from those manufactured, sold, or dealt by others. Inarguably, it is an intellectual property deserving protection by law.⁶

Records reveal that at the time Respondent-Applicant filed its application for registration, the Opposer has registered "EG-T", "Ehealth Cigarette box" and two "Ehealth Cigarette" marks on 18 October 2012, 17 March 2011 and 15 December 2011. Also, it has pending registration for the mark "eGOTwist" filed on 08 April 2013. Unquestionably, the Opposer is the prior applicant.

Now, to determine whether the competing marks are confusingly similar, they are reproduced below as follows:

EG -T eGOTwist



Opposer's marks

⁶ Dermaline Inc. vs. Myra Pharmaceuticals Inc., G.R. No. 190065, August 16, 2010.



Respondent-Applicant's mark

Perusing the above marks, the distinct similarity that can be observed from these contending marks is the beginning letter "e". However, this letter "e" stands for the word "electronic" and therefore descriptive to the products these mark pertain – electronic cigarettes. As such, this cannot be subject of exclusive appropriation of any one entity. The so-called descriptive terms, which may be used to describe the product adequately, cannot be monopolized by a single user and are available to all. It is only natural that the trade will prefer those marks which bear some reference to the article itself.⁷

As the Supreme Court explained in **Societe des Produits Nestle vs. Court of Appeals**⁸:

"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. On the other hand, a term is descriptive and therefore invalid as a trademark if, as understood in its normal and natural sense, it 'forthwith conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is,' or 'if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods,' or if it clearly denotes what goods or services are

⁷ Ong Ai Gui vs. Director of Philippines Patent Office, G.R. No. L-6235, March 28, 1955.

⁸ G.R. No. 112012, April 4, 2001.

provided in such a way that the consumer does not have to exercise powers of perception or imagination."

To allow Opposer exclusive of "e" in its trademarks is tantamount to giving the said company an undue advantage over its competitors. What will determine if there is indeed confusing similarity between Opposer's and Respondent-Applicant's trademarks are the words and/or design that succeed the letter "e". In this instance, the differences between the contending marks are insufficient to eliminate the likelihood of confusing one mark for the other. While "eHealth Cigarette" is obviously completely different from the mark "Ego and Device", the latter is confusingly similar with "EG-T" and "eGOTwist" in view of the slight differences in spelling. As such, the addition of a shield-like device and the phrase "no tobacco 4 life" in Respondent-Applicant's mark failed to lend it the distinctiveness required by law.

Succinctly, confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchased as to cause him to purchase the one supposing it to be the other.⁹ This is most especially true as in this case where all the contending marks cover goods under Class 34.

Moreover, it is settled that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. 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*: "Here 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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."¹⁰

Finally, it is emphasized that the essence of trademark registration is to give protection to the owners of trademarks. The function of a 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

⁹ Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

¹⁰ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 1772276, 08 August 2010.

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.¹¹ Based on the above discussion, Respondent-Applicant's trademark fell short in meeting this function. The latter was given ample opportunity to defend its trademark application but Respondent-Applicant did not bother to do so.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1(d) of the IP Code. As to the position that Opposer's marks are well-known, the same is not supported by evidence.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-002292 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 26 November 2013.


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

¹¹ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.