HEARST COMMUNICATIONS, INC., Opposer, -versus- **BARGN FARMACEUTICI PHILS. CO.,** Respondent- Applicant.	}	**IPC No. 14-2009-00057** Opposition to: Appln. Serial No. 4-2007-013635 Filing Date: 11December 2007 TM: **"COSMO SKIN & DEVICE"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 64 dated April 10, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 10, 2013.

For the Director:

ATTY. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs

CERTIFIED TRUE COPY
SHARON S. ALCANTARA
Records Officer II
Bureau of Legal Affairs, IPO

HEARST COMMUNICATIONS INC.,
Opposer,

-versus-

BARGN FARMACEUTICI PHILS. CO.,
Respondent-Applicant.
x----------x

IPC No. 14-2009-00057
Opposition to:
Appln. Serial No. 4-2007-013635
(Filing Date: 11 December 2007)

TM: "COSMO SKIN & DEVICE"

Decision No. 2013- 64

DECISION

HEARST COMMUNICATIONS INC. ("Opposer")[1] filed on 24 February 2009 an opposition to Trademark Application Serial No. 4-2007-013635. The application, filed by BARGN FARMACEUTICI PHILS. CO. ("Respondent-Applicant")[2], covers the mark "COSMO SKIN & DEVICE" for use on "*food supplement*" under Class 05 of the International Classification of Goods[3]. The Opposer alleges, among other things, the following:

> "1. Opposer is a company primarily engaged in the business of publishing, selling and distribution of magazines and similar publications. Opposer is the first to adopt and use the 'COSMO', 'COSMOPOLITAN' and derivative marks (hereinafter referred to as 'COSMO' trademarks) for its goods under international classes 9, 14, 16, 18, 25, 38 and 41 in the Philippines and other countries worldwide.
>
> "2. There is likelihood of confusion between the Opposer's trademarks 'COSMO' covering goods under international classes 9, 14, 16, 18, 25, 38 and 41 and Respondent-Applicant's trademark 'COSMO SKIN', because the latter is identical to and closely resembles Opposer's trademarks in appearance, spelling, sound, meaning and connotation.
>
> "3. The Opposer's 'COSMO' trademarks are well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, rather than the public at large, as being trademarks owned by the Opposer. There is no doubt therefore, that the Respondent-Applicant intends to ride on the popularity and goodwill of Opposer's 'COSMO' trademarks in adopting and using the trademark 'COSMO SKIN' as such use would indicate a connection between such goods and those of the Opposer's. Thus, the interests of the Opposer are likely to be damaged by Respondent-Applicant's use of the trademark 'COSMO SKIN'.
>
> "4. The Respondent-Applicant, by using 'COSMO SKIN' as its trademark for goods which are identical and/or related to those of the Opposer's, has given its products the general appearance of the products of the Opposer, which would be likely to influence purchasers to believe that the

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[1] A corporation organized and existing under the laws of State of Delaware, USA with principal office at 959 Eight Avenue New York 10019, USA.
[2] A partnership organized and existing under the laws of the Philippines with business address at Unit 702, The One Executive Office Bldg. #5 West Avenue, Quezon City.
[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.

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'COSMO SKIN' products are of the Opposer's, thereby deceiving the public and defrauding the Opposer of its legitimate trade hence, Respondent-Applicant is guilty of unfair competition as provided in Section 168.3 of R.A. No. 8293.

"5. Respondent-Applicant, in adopting the trademark 'COSMO SKIN' for its products is likely to cause confusion, mistake, or deception as regards its affiliation, connection, or association with the Opposer, or as to the origin, sponsorship, or approval of its products by the Opposer, for which it is liable for false designation or origin, false description or representation under Section 169 of R.A. No. 8293."

To support its opposition, the Opposer submitted as evidence[4] copies of certificates of trademark registration in the Philippines, list of registrations of its marks in different countries worldwide, sales of products bearing its marks by country covering the period from 1996-2002 and 2007, representative samples of its promotional and advertising materials, copies of foreign decisions pertaining to marks, list of magazines international editions, actual labels, receipts/invoices, and a compact disc containing sample foreign certificates of registration and data on use worldwide of marks.

The Respondent-Applicant filed its Answer on 23 July 2009, alleging among other things, the following:

"14. Opposer has neither legal nor factual basis for its claim that it will be damaged by the approval of the trademark application for the mark COSMO SKIN & DEVICE bearing Application Serial No. 4-2007-013635 filed on 11 December 2007.

"15. On 26 February 2008 the Articles of Partnership of Bargn Farmaceutici Phils. Inc., herein respondent, were duly registered with the Securities and Exchange Commission with the primary purpose to: engage in, conduct and carry on the business of buying, selling, distributing, marketing at wholesale/retail insofar as may be permitted by law, all kinds of goods, commodities, wares and merchandise of every kind and description such as but not limited to pharmaceuticals; to act as manufacturers, representative, commission merchant, factors or agents, relative thereto.

"16. Respondent's partners conceptualized the subject mark COSMO from the Greek word 'kosmo', meaning a combining form, meaning 'world', or 'universe'. Respondent as a manufacturer of food supplements among them glutathione, L-Carnitine, green tea extract and grape seed extract products (food supplement, among others) directs and caters its beautifying and age defying products to the women of the world and to all the missus of the universe. Thus, the COSMO SKIN trademark was born, which goods are for the modern woman's (COSMO) skin.

"17. The goods of the respondent – food supplements – were already part of the primary purposes when respondent Bargn Farmaceutici was established.

"18. As above stated, food supplements are goods listed under Class 05 for which opposer has no certificate of registration for the mark Cosmopolitan. Opposer's Cosmopolitan trademarks are registered under different Classes, namely: Classes 9, 14, 16, 18, 24, 25, 36 and 38. Even assuming that the dominant syllable of the opposer's mark is COSMO, and therefore dominantly the same as that of the respondent, this Honorable Office should be guided by the allowance of parallel registration of the same mark, as time and again held by the Supreme Court in many cases, among them:

"19. In Shell company of the Philippines vs. Court of Appeals (G.R. No. L-49145, 21 May 1979),

[4] Exhibits "A" to "I", inclusive, of the Verified Notice of Opposition.

x x x.

"20. In Esso Standard Eastern, Inc. vs. Court of Appeals (116 SCRA 336 (1982)), x x x.

"21. In Canon Kabushiki Kaisha vs. Court of Appeals and NSR Rubber Corporation (336 SCRA 266 (200)), x x x.

"22. To emphasize, opposer's cosmopolitan trademarks is registered under Classes 9, 14, 16, 18, 24, 25, 36 and 38 while respondent seeks registration of the COSMO SKIN & DEVICE trademark for food supplements under Class 05. Thus, opposer's exclusive right to use its Cosmopolitan trademarks is limited to goods and services falling under Classes 9, 14, 16, 18, 24, 25, 36 and 38 as specified in its Certificates of Registration as well as to goods or services that are related thereto, which DO NOT include respondent's applied goods (*food supplements*).

"23. The fact that opposer's trademark is registered for products under a different Class cannot be used as prohibition for applicant to use it for an entirely different products/goods because Section 147 of the Intellectual Property Code is very clear on what rights are conferred during the registration by stating that the owner of a registered mark shall have exclusive right to prevent all third parties not having the consent from using in the course of trade identical and similar signs or containers 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 shall be presumed.

"24. Even assuming that respondent's COSMO SKIN mark is similar to that of opposer's Cosmopolitan trademarks, a relevant question begs for an answer; ***Are the goods related?*** We respectfully submit in the negative.

"25. Respondent's goods are food supplements, specifically, glutathione, L-Carnitine, green tea extract and grape seed extract products while that of opposer's main goods are magazines and/or publications. Food supplements are, to repeat, under Class 05 while magazines and publications are under Class 16, thus, by way of Nice Classification alone, the goods are not related. The non-relatedness of the parties' goods can be further shown by the fact that the goods are sold in different portions of a store or mall. Food supplements being sold in the drug or pharmacy/medicine area while magazines are sold in the office or school supply section.

"26. Parallel registration of the same mark is even allowed by the Supreme Court in goods falling under the same Class as long as the subject goods are not related.

"27. In Acoje Mining Co., Inc., vs. Director of Patents (38 SCRA 480), x x x.

"28. In Philippine Refining Co., Inc., vs. Ng Sam and Director of Patents (115 SCRA 472 (1982)), x x x.

"29. In Hickok Manufacturing Co., Inc. vs. Court of Appeals and Santos Lim Bun Liong (116 SCRA 388 (1982)), x x x.

"30. In view of the non-relatedness of respondent's goods to that of opposer, such imagined likelihood of confusion (whether as to the origin/source or upon the public) have no factual basis. Otherwise, the COSMO SKIN mark should not have passed the examination stage and allowed publication if relatedness of the goods were found.

"31. The validity of the above jurisprudence can be shown by the issuance of the BOT-IPO of at least nine (9) Certificates of Registration for the mark COSMO either alone or in combination with another word, as detailed in the attached Affidavit herein.

"32. In Esso (supra), Supreme Court ruled that: x x x

"33. There is no truth to the claim that opposer's Cosmo trademarks are well-known internationally and in the Philippines for the simple reason that opposer's mark is NOT COSMO but rather Cosmopolitan, Cosmopolitan Channel, Cosmogirl and Cosmopolitan Television. The evidence of the opposer is the best evidence for this statement. There is no 'COSMO' trademark listed in Exhibits A and series of the opposer. In the Exhibit B and series of the opposer referring to international registrations, only six (6) Certificates of Registration appear to list COSMO as the registered mark in as much countries, the other forty nine (49) certificates clearly states Cosmopolitan NOT COSMO.

"34. ***How can the opposer validly claim international notoriety for six (6) international registrations? Or as a locally well-known mark for ZERO registration of the mark COSMO?***

"35. Exhibit C and series of the opposer are summary sales reports of opposer's magazines which only proves international notoriety at most, for Class 16 (publications/magazines) and not in any other Classes. On the other hand, Exhibit D and series are representative samples of opposer's publications as well as promotional items which again only proves international notoriety, at most, in the area of the publishing world.

"36. Opposer will not be damaged by the subject trademark application because of the following elementary rule: principle that Certificate of Registration confers upon the trademark owner the exclusive right to use its own symbol *only to those goods or services as specified in the certificate, and those that are related thereto*.

"37. The goods of the respondent are not related to the opposer's goods, hence, the favorable foreign decisions (*Exhibit E and series*) obtained by the opposer in another jurisdiction referring to goods and services related to that of opposer's goods and services cannot apply before this Honorable Office.

"38. Exhibit F and series of the opposer are, on the other hand, listings of opposer's other international magazines, launch dates and partners, which again, only matter in the publishing industry and not any other.

"39. The **Affidavit (as well as its Exhibits)** of Mr. Nino Bautista, Managing Partner of the respondent is herein attached to prove the foregoing allegations."

The Respondent-Applicant's evidence consists of the Affidavit of the Respondent-Applicant's "Managing Partner" Nino Bautista and the attachments thereto:

1. Articles of Partnership the Respondent-Applicant with the Securities and Exchange Commission;
2. certificates of product registration issued by the Bureau of Food and Drugs;
3. representative samples of labeled boxes and packaging;
4. sales invoices;
5. photographs of booths and kiosks in malls;
6. various advertisements in different media;
7. photographs of promotional activities; and
8. copies of registrations in the Philippines for the marks "COSMO" in favor of other proprietors.[5]

A preliminary conference was conducted and eventually terminated on 18 February 2010. Then after, the Opposer filed their respective position papers.

[5] Marked as Exhibit "1" to "78".

Should the Respondent-Applicant be allowed to register the mark "COSMO SKIN & DEVICE"?

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 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.[6]

It is emphasized that an opposition is essentially a review of the trademark application, to determine whether or not the requirements for registration are complied with and whether or not the application is proscribed by or in violation of law.

Records show that at the time the Respondent-Applicant filed its trademark application on 11 December 2007, the Opposer has existing trademark registrations, as follows:

1. Reg. No. 4-1995-104076 issued on 14 December 1999 for "COSMOPOLITAN" for goods under Class 09;
2. Reg. No. 4-1997-122792 issued on 24 August 2003 for "COSMOPOLITAN CHANNEL" for goods under Class 38;
3. Reg. No. 4-2002-002730 issued on 20 March 2005 for "COSMOGIRL" for goods under Class 16;
4. Reg. No. 4-2003-002757 issued on 23 July 2005 for "COSMOPOLITAN TELEVISION" for goods under Class 24;
5. Reg. No. 4-2003-0001897 issued on 19 December 2005 for "COSMOPOLITAN" for goods under Class 36;
6. Reg. No. 4-1995-104078 issued on 23 June 2000 for "COSMOPOLITAN" for goods under Class 18;
7. Reg. No. 4-2003-001361 issued on 20 November 2005 for "COSMOPOLITAN" for goods under Class 14; and
8. Reg. No. 4-2003-001362 issued on 20 November 2005 for "COSMOPOLITAN" for goods under Class 25.

The Respondent-Applicant cited that its mark was derived from the Greek word "*kosmo*". In concept therefore, "*kosmo*" could be considered different from the "COSMO" in the Opposer's marks - the full term or word being "COSMOPOLITAN". But such conceptual difference would hardly deflect the consumers' perception that composition or structure-wise, "COSMO" is similar or related to the Opposer's mark. There is no doubt that the defining feature or component of the Opposer's marks is the combination of the syllables "COS" and "MO". "COSMO" draws the eyes and the ears and is the feature that leaves an impression in the senses and minds of the consumers.

In this regard, Sec. 123.1 (d) and (f) of the IP Code, provides that a mark cannot be registered if it:

> (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

[6] *Pribhdas J. Mirpuri vs. Court of Appeals*, G.R. No. 114508, 19 Nov. 1999.

(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 which is considered by the competent authority of the Philippines to be well-known in accordance with the preceding paragraph, which 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 the 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.

This Bureau disagrees with the Respondent-Applicant's contention that its mark should be allowed registration because its trademark application covers goods that are different from the Opposer's. The prohibition still apply pursuant to sub-paragraph (iii) of Sec. 123.1(d) of the IP Code which prohibits the registration of a mark if it nearly resembles a previously registered or applied mark belonging to another proprietor and which likely to cause confusion or deception. Also, Sec. 123.1(f) of the IP Code prohibits the registration of such mark if it is identical or confusingly similar to a registered mark declared by competent authority as a well-known mark. The Opposer submitted evidence that satisfies the criteria for determining whether a mark is well-known as laid down in Rule102 of the Trademark Regulations. The regulations state that in determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

1. the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
2. the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
3. the degree of the inherent or acquired distinction of the mark;
4. the quality-image or reputation acquired by the mark;
5. the extent to which the mark has been registered in the world;
6. the exclusivity of registration attained by the mark in the world;
7. the extent to which the mark has been used in the world;
8. the exclusivity of use attained by the mark in the world;
9. the commercial value attributed to the mark in the world;
10. the record of successful protection of the rights in the mark;
11. the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
12. the presence of absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark."

The Opposer submitted as evidence copies of certificates of trademark registration in the Philippines, list of registrations of its marks in different countries worldwide, sales of products bearing its marks by country covering the period from 1996-2002 and 2007, representative samples of its promotional and advertising materials, copies of foreign decisions pertaining to marks, list of magazines international editions, actual labels, receipts/invoices, and a compact disc containing sample foreign certificates of registration and data on use worldwide of marks. The foreign decisions particularly dealt in with the fame and reputation of the Opposer's mark especially in respect of

magazines, publications and other goods relating to or promoting women's beauty and fashion.[7] The publications carry not only articles but also advertisements on health, beauty and fashion. Precisely, there is commonality between the parties as to the nature of and the market for their respective goods. The Respondent-Applicant itself explained:

> " x x x Respondent as a manufacturer of food supplements among them glutathione, L-Carnitine, green tea extract and grape seed extract products (food supplement, among others) directs and caters its beautifying and age defying products to the women of the world and to all the missus of the universe. Thus, the COSMO SKIN trademark was born, which goods are for the modern woman's (COSMO) skin".[8]

Because the Opposer's marks are well-known and highly distinctive, there is the likelihood that information, assessment, perception or impression about the Respondent-Applicant's goods may unfairly cast upon or attributed to the Opposer, and *vice-versa*. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:[9]

> 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 belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

It must be stressed that the determinative factor in issues regarding the registration of a mark is not whether the mark would actually cause confusion or deception. Rather, the determinative factor in such contests is whether such mark would likely cause confusion or mistake on the part of the purchasing public. To constitute an infringement of an existing trademark, the competing trademarks need not be identical. It is sufficient that the similarity is such that there is a possibility of the purchaser of the older brand mistaking the newer brand for it.[10]

WHEREFORE, premises considered, the instant Opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2007-013635 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 April 2013.

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

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[7] Exhibit "E", inclusive.
[8] See Verified Answer, par. 16 (p. 4).
[9] *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.
[10] *American Wire and Cable Co. v. Director of Patents, et. al*, GR No. L-26557, 18 Feb. 1970.