



HEARST COMMUNICATIONS, INC.,
Opposer,

-versus-

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

X-----X

} IPC No. 14-2010-00061
}
} Opposition to:
} Appln. Serial No. 4-2008-014647
} Date Filed: 17 June 2008
} TM: "COSMO FORMULAS
} & DEVICE"
}
}
}

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 174 dated August 28, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 28, 2013.

For the Director:


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



HEARST COMMUNICATIONS, INC.,

Opposer,

-versus-

BARGAN FARMACEUTICI PHILS., CO.,

IPC No. 14-2010-00061

Opposition to Trademark

Application No. 4-2008-014647

Date Filed: 17 June 2008

Trademark: **"COSMO FORMULAS
& DEVICE"**

Respondent-Applicant.

x ----- x

Decision No. 2013- 174

DECISION

Hearst Communications, Inc.¹ ("Opposer") filed on 03 March 2010 an opposition to Trademark Application Serial No. 4-2008-014647. The contested application, filed by Bargan Farmaceutici Phils., Co.² (Respondent-Applicant), covers the mark "COSMO FORMULAS & DEVICE" for use on "*cosmetics, soaps, perfumes, food supplements and pharmaceuticals*" under Classes 03 and 05 of the International Classification of Goods³.

Opposer is a company primarily engaged in the business of publishing, selling and distributing magazines and similar publications. According to it, the company is the first to adopt, use and register the "COSMO", "COSMOGIRL!", "COSMOPOLITAN" and derivative trademarks ("COSMO" trademarks). It claims to have used the marks as early as April 1964, in association with the company's Cosmopolitan magazine. In the magazine industry, it alleges to have used the "COSMOPOLITAN" trademark dating back 1886. In the Philippines, it holds a number of registrations and pending applications for its "COSMO" marks. It further asserts that its trademarks are well-known locally and internationally with its goods registered in many countries under Classes, 03, 05, 08, 09, 11, 14, 16, 18, 20, 21, 24, 25, 27, 28, 29, 32, 33, 38 and 41.

Opposer contends that it has invested tremendous amount of resources in the promotion of its trademarks and that there is a high degree of distinction of its marks. In the Philippines alone, it boasts that the total revenues for the sale of magazines amounted to P183,210,000.00 and P165,966,000.00 in 2008 and 2009, respectively and that the promotional expenses incurred in the marketing and promotion reached P4,005,730.00 and P3,852,236.00 for the same years. Thus, it

¹ A foreign corporation organized under the laws of State of Delaware, United States of America.

² With address at Unit 702 The One Executive Building, #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.

insists its right to exclude others from registering or using identical or confusing similar mark, such as Respondent-Applicant's "COSMO FORMULAS & DEVICE" mark, as stated in Section 147 of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"). It laments that the contested mark is exactly identical in letters, syllables, sound and connotation as that of its own marks and that the former will likely confuse the public and mislead them.

For its part, Respondent-Applicant denies Opposer's asseverations. It argues that on 26 February 2008, the Articles of Incorporation of its company was duly registered with the Securities and Exchange Commission (SEC). It explains that the subject mark is derived from the Greek word "*kosmo*", which means "world" or universe. It furthers that as manufacturer of food supplements among which are glutathione, L-carnitine, green tree extract and grape tree extract, it directs and caters its beautifying and age-defying products to the women of the world and all missus of the universe. In this manner, the "COSMO" trademark was born, which are goods designed for the modern women's body, skin and within. Later on, the company ventured in cosmetics, soaps and perfumes which is how its primary mark "COSMO FORMULAS" sprouted.

According to Respondent-Applicant, the additional goods were already part of the primary purposes for which its company was established. It maintains that it filed for registration of its goods under Class 03 more than a year ahead of Opposer, specifically 17 June 2008. It moreover claims that Opposer has no certificate of registration over food supplements, which falls under Class 05. It proposes that Bureau be guided by the allowance of parallel registration of the same mark. It insists that the goods are non-related, which idea is bolstered by the fact that the goods the competing marks cover are sold in different portions of the mall. It notes that there are at least fifteen (15) Certificates of Registration for the mark "COSMO" alone or in combination of another word.

The Preliminary Conference was initially set on 19 August 2010. After two resetting thereof, the Opposer filed a Motion to Terminate Preliminary Conference. Acting on the said Motion, the Hearing Officer terminated the same and required the parties to submit its position papers. After which, the case was submitted for resolution.

Prefatorily, 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 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.⁴

It is emphasized that an opposition is essentially a review of trademark application, to determine whether the requirements of registration are complied with and whether the application is proscribed by or in violation of law.

Records show that at the time Respondent-Applicant filed its trademark application on 30 March 2012, the Opposer has an existing registration of the following marks:

1. Certificate of Registration No. 4-1005-104076 issued on 14 December 1999 for the mark "COSMOPOLITAN" for goods under Class 09;
2. Certificate of Registration No. 1997-122794 issued on 01 July 2005 for the mark "TV COSMO" for goods under Class 38;
3. Certificate of Registration No. 4-2002-001119 issued on 31 October 2005 for the mark "COSMOPOLITAN" or goods under Class 16;
4. Certificate of Registration No. 4-2002-002730 issued on 20 March 2005 for the mark "COSMOGIRL!" for goods under Class 16; and,
5. Certificate of Registration No. 4-2006-011940 issued on 06 August 2007 for the mark "COSMOPOLITAN TELEVISION" for goods under Classes 38 and 41;
6. Certificate of Registration No. 4-2006-011939 issued on 19 November 2007 for the mark "COSMOPOLITAN" for goods under Classes 14, 18, 24 and 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 consumer's perception that composition or structure-wise, "COSMO" is similar or related to Opposer's mark. There is no doubt that the defining feature or component of the Opposer's marks is the combination of the syllable "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.

Section 123.1 (d) and (f) of the IP Code provides that:

"123.1. 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:

⁴ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

- (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;*

x x x

(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;

x x x"

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 applies pursuant to subparagraph (iii) of Section 123.1(d) of the IP Code which prohibits the registration of a mark belonging to another proprietor and which is likely to cause confusion or deception. Also, Section 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 Rule 102 of the Trademark Regulations. The regulations state that in determining whether a mark is well-known, the following criteria or a combination thereof may be taken into account:

- (a) 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;
- (b) the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- (c) the degree of the inherent or acquired distinction of the mark;
- (d) the quality-image or reputation acquired by the mark;
- (e) the extent to which the mark has been registered in the world;
- (f) the exclusivity of registration attained by the mark in the world;
- (g) the extent to which the mark has been used in the world;
- (h) the exclusivity of use attained by the mark in the world;
- (i) the commercial value attributed to the mark in the world;
- (j) the record of successful protection of the rights in the mark;

- (k) the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and,
- (l) the presence or 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 1996-2002 and 2007, representative samples of its promotional and advertising materials, copies of foreign decisions pertaining to the 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 with the fame and reputation of the Opposer's marks especially in respect of magazine, publications and other goods relating to or promoting women's fashion and beauty. The publications carry not only the 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 explained⁵:

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

Noteworthy, this Bureau has consistently ruled that the Opposer's registered marks has met the standard laid down in Rule 102 of the Trademark Regulations. In the decisions promulgated last 10 April 2013 in IPC Case Nos. 14-2009-00034, 14-2009-00057, 14-2009-00099 and 14-2009-00100, this Bureau declared that the Opposer's trademarks are well-known. The contested marks in these cases were "ARE YOU COSMO ENOUGH?", "COSMO SKIN & DEVICE", "COSMO BODY AND DEVICE" and "COSMO", all of which were applied for registration likewise be herein Respondent-Applicant.

Because the Opposer's marks are well-known and highly distinctive, there is the likelihood that the information, assessment, perception or impression about the Respondent-Applicant's goods may unfairly cast upon or attributed to Opposer, and *vice versa*. The likelihood of confusion would subsist not only on the purchaser's

⁵ Verified Answer, p. 9-10.

perception of goods but also on the origin thereof as held by the Supreme Court in *Societe des Produits Nestle, S.A. vs. Dy*⁶:

"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.'"

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 deception on the purchasing public. To constitute infringement in an existing trademark, the competing marks need not be identical. It is sufficient that the similarity is such that there is a possibility for the purchaser of the older brand in mistaking the newer brand for it.⁷

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application No. 4-2008-014647 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 28 August 2013.


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

⁶ G.R. No. 1772276, 08 August 2010.

⁷ *American Wire & Cable Co. vs. Director of Patents*, G.R. No. L-26557, 18 February 1970.