



HOMER TLC, INC.,  
Petitioner,

-versus-

CW MARKETING AND DEVELOPMENT CORP.,  
Respondent-Registrant.

X-----X

}  
} IPC No. 14-2011-00429  
} Cancellation of:  
} Reg. No. 4-2005-009617  
} Date Issued: 14 April 2008  
} TM: "THE HOME DEPOT(W/DEVICE)"

**NOTICE OF DECISION**

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No. 1 Julia Vargas Avenue, Pasig City

**GREETINGS:**

Please be informed that Decision No. 2013 - 145 dated July 24, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 24, 2013.

For the Director:

  
**Atty. PAUSI U. SAPAK**  
Hearing Officer  
Bureau of Legal Affairs



HOMER TLC, INC.,  
*Petitioner,*

IPC No. 14-2011-00429  
Case Filed: 16 September 2011

-versus-

Cancellation of:  
Reg. No. : 4-2005-009617  
Date Issued: 14 April 2008

CW MARKETING AND DEVELOPMENT CORP.,  
*Respondent-Registrant.*

TM: "THE HOME DEPOT (W/ DEVICE)"

X-----X

Decision No. 2013- 145

### DECISION

HOMER TLC, INC. ("Petitioner")<sup>1</sup> filed on 16 September 2011 a Petition to Cancel Trademark Reg. No. 4-2005-009617. The registration issued on 14 April 2008. CW MARKETING & DEVELOPMENT CORP. ("Respondent-Registrant")<sup>2</sup> covers the mark "THE HOME DEPOT (W DEVICE)" for use on "retail/wholesale store for building materials, hardware and construction materials" under Class 35 of the International Classification of Goods and Services<sup>3</sup>.

The Petitioner alleges that Trademark Reg. No. 4-2005-009617 should be cancelled because it was registered in violation of the Intellectual Property Code, R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). According to the Petitioner, it is the registered owner of the mark "THE HOME DEPOT WITH AN INCLINER TO THE RIGHT POSITION INSIDE A SQUARE" bearing Reg. No. 61496 issued on 22 August 1996 for use on retail home improvement centers under Class 42 and which mark is well-known internationally.

To support its petition, the Petitioner submitted as its evidence the following:

1. Exhibit "A" – Intellectual Property Office – Trademark Electronic Gazette showing Certificate of Reg. No. 61496 for the mark The Home Depot With An Incliner to the right position inside a square;
2. Exhibit "B" – Certification issued by the Intellectual Property Office of the Philippines;
3. Exhibit "C" – Certification issued by the Intellectual Property Office of the Philippines;
4. Exhibit "D" – Certification issued by the IPO as to the authenticity of Trademark Registration Certificates dated 17 June 2011;

<sup>1</sup> A corporation duly organized and existing under the laws of the State of Delaware, U.S.A. with address at 1007 Orange Street, Suite 1424, Wilmington, Delaware 19801, U.S.A.

<sup>2</sup> With address at No. 1 Ortigas Home Depot Bldg., Julia Vargas Avenue, Brgy., Ugong, Pasig City.

<sup>3</sup> 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.

5. Exhibits "D-1" to "D-84" – Certified true copies of trademark registration certificates trademark notices and their English translations for the mark Home Depot issued in different countries;
6. Exhibits "E" and-1" – A compact disc containing the particular clip from the movie and a screenshot thereof;
7. Exhibits "F" and-1" – Compact discs containing the two clips from the movie;
8. Exhibits "F-2" and "F-3" – Screenshots of the two clips from the movie;
9. Exhibit "G" – Disc containing the clip of the film Evan Almighty;
10. Exhibit "G-1" – Screenshot of the film Evan Almighty;
11. Exhibit "H" – Compact disc containing the clip of the film He's Just Not That Into You;
12. Exhibit "H-1" – Screenshot of the film He's Just Not That Into You;
13. Exhibits "1", "1-1" and "1-2" – Screenshots from TV show;
14. Exhibits "J" and "J-1" – Screenshots of the clip from the TV show;
15. Exhibits "k", "K-1" and "k-2" – Screenshots from TV show "Trading Spaces";
16. Exhibit "L" – Print-out of URL:<<http://www>;
17. Exhibit "L-1" – relevant portion thereof;
18. Exhibit "M" – Print-out;
19. Exhibit "N" – Print-out;
20. Exhibit "O" – Print-out;
21. Exhibit "P" – Print-out;
22. Exhibit "Q" – Print-out of the homepage of website;
23. Exhibit "R" – Print-out of the webpage of Goggle Search;
24. Exhibit "S" – Certified true copy of the legalized Officer's Affidavit of Authenticity of decisions involving "THE HOME DEPOT" marks dated 17 June 2011;
25. Exhibits "S-1" to "S-10" – Certified true copies of the relevant decisions and/or notifications relating to said decision;
26. Exhibit "T" and Exhibit "U" – Certified true copies of the official translations of Paraguay and Chilean decisions;
27. Exhibit "V-1" – Relevant statement;
28. Exhibit "W" – Copy of the Respondent-Applicant's trademark application form;
29. Exhibit "W-1" – Express disclaimer; and
30. Exhibit "X" – Power of Attorney executed by Keith R. Sattesahn.

On 03 January 2012, Respondent-Registrant filed its Verified Answer denying all the material allegations of the Petition and argued that it has actually used, in good faith its trademark in connection with its retail/wholesale business for the sale of building materials, hardware and construction materials in the Philippines. Further, the words "HOME DEPOT" have already reached a status of customary use in everyday language to convey a one-stop shop place similar to a mall for the sale and distributions of goods and services in relation to building materials, hardware and construction materials and are tantamount to being generic and likewise merely descriptive of the kind, quality and intended purpose of the services or business and thus should not be lifted from the public domain where it should be readily available for everyone to use.

Should the Respondent-Registrant's trademark registration be cancelled?

It is emphasized that the essence of trademark registration is to give protection to the owner of the 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 products<sup>4</sup>.

Thus, Sec. 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of the same goods or services or closely related goods or services, or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Registrant filed its trademark application on 28 September 2005 for the mark "THE HOME DEPOT WITH DEVICE" which matured into Registration No. 4-2005-009617, the Petitioner has already an existing trademark registration bearing Reg. No. 61496 issued on 22 August 1995 for the mark "THE HOME DEPOT WITH AN INCLINER TO THE RIGHT POSITION INSIDE A SQUARE". Also, Petitioner's mark "THE HOME DEPOT" was registered on 31 December 2005 under Reg. No. 4-2000-007770.

For comparison, the competing marks are reproduced, to wit:



Petitioner's Mark



Respondent-Registrant's Mark

In this regard, this Bureau noticed that the Petitioner disclaimed the exclusive right to use the word "HOME". The Respondent-Registrant also has such disclaimer as regard the words "HOME" and "DEPOT".

The purpose of disclaimer in trademark application/registrations is laid down by Rule 608 of the Trademark Regulations:

Rule 608 – Deletion and or Disclaimer may be required – The examiner may require unregistrable matter to be deleted from the drawings or disclaimer in the application, but such disclaimer shall not prejudice or affect the applicant's right then existing under some other

<sup>4</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114509, 19 November 1999.



law or thereafter arising in the disclaimed matter nor such disclaimer prejudice or affect the applicant's rights to registration on another application of later date, where the disclaimed matter has become distinctive of the applicant's goods, business or services.

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 clearly denotes what goods or services are provided in such a way that the customer does not have exercise powers of perception or imagination<sup>5</sup>.

Sec. 123.1 of the IP Code provides, in part, that a mark cannot be registered if it:

- (h) Consist exclusively of signs that are generic for the goods or services that they seek to identify;
- (i) Consists exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practice; and
- (j) Consists exclusively of signs or indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographic origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services.

Corollarily, Sec. 151.1 (b) of the IP Code provides:

Sec. 151. *Cancellation.* – 151.1. A petition to cancel a registration of a mark under this Act may be filed with the Bureau of Legal Affairs by any person who believes that he is or will be damaged by the registration of a mark under this Act as follows:

- (b) At any time, if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used. If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A

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<sup>5</sup> See *Des Produits Nestle, S.A., v. Court of Appeals* (356 SCRA 207, 222-223) 2001.

registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used. (n)

Against this legal backdrop is a clear picture, that is, the Petitioner cannot now cause the cancellation of the Respondent-Registrant's mark on the ground that it contains the term on the words "HOME DEPOT". There is merit in the Respondent-Registrant's argument that the term "the home depot" is already considered a generic or at least a descriptive term. "Home depot" is referred as a large warehouse providing building materials for the construction industry<sup>6</sup>; or a chain of home improvement warehouse<sup>7</sup>; or a retailer of home improvement products<sup>8</sup>; or a storehouse or warehouse, as a building where freight is deposited<sup>9</sup>.

Aptly, granting the instant petition, would have the effect of giving the Petitioner the exclusive right to use generic or descriptive terms.

It must be clarified however, that although the Respondent-Registrant's trademark also contains the generic or deception in terms "home depot", the said trademark is still registrable and should be maintained on the Trademark Registry. This is so because, it is a composite mark, wherein the said words or terms are accompanied by other features and configured in a way that it achieved distinctiveness in its entirety, subject to the condition that the Respondent-Registrant has no exclusive rights over the word or term "the home depot".

The distinctive property of the Respondent-Registrant's mark lies in the "roof design", the font and colors of the letters or words, and their configuration. These features are not present in the Petitioner's mark.

Significantly, the Trademark Registry, the content of which this Bureau can take cognizance of via judicial notice, shows registered trademarks containing the words "HOME DEPOT" (disclaimed) :

- |    |            |   |                           |
|----|------------|---|---------------------------|
| 1. | TM         | - | MC HOME DEPOT AND DEVICE  |
|    | Applicant  | - | MC HOME DEPOT, INC.       |
|    | Class      | - | 35                        |
| 2. | TM         | - | EASY HOME DEPOT           |
|    | Reg. No.   | - | 42008001697               |
|    | Registrant | - | Puregold Price Club, Inc. |
|    | Classes    | - | 35 & 36                   |

<sup>6</sup> [Http://www.urbandictionary.com/define.php?term=home%20depot.](http://www.urbandictionary.com/define.php?term=home%20depot)

<sup>7</sup> [Http://www.allwords.com/word-Home%20Depot.html.](http://www.allwords.com/word-Home%20Depot.html)

<sup>8</sup> [Http://the-lawdictionary.org/home-depot/.](http://the-lawdictionary.org/home-depot/)

<sup>9</sup> [Http://dictionary.reference.com/browse/depot.](http://dictionary.reference.com/browse/depot)

- |    |            |   |   |
|----|------------|---|---|
| 3. | TM         | - | HOME DEPOT AND CLC DEVICE                                     |
|    | Reg. No.   | - | 42008008999   |
|    | Registrant | - | Central Lumber Corp.  |
|    | Class      | - | 35  |
|    |            |   |   |
| 4. | TM         | - | HK SUN PLAZA HOME DEPOT and Lifestyle Center<br>and HKSP Logo |
|    | Reg. No.   | - | 42005005954   |
|    | Registrant | - | HK Investment Group, Inc.                                     |
|    | Class      | - | 35  |
|    |            |   |   |
| 5. | TM         | - | BUDGET HOME DEPOT & DEVICE                                    |
|    | Reg. No.   | - | 42008012818   |
|    | Registrant | - | Vicente C. Tan  |
|    | Class      | - | 35  |

**WHEREFORE**, premises considered the instant Petition for Cancellation is hereby **DISMISSED**. Let the filewrapper of Trademark Reg. No. 4-2005-009617 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 24 July 2013.

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


/pausi/joanne