HUGO BOSS TRADEMARK MANAGEMENT GMBH & CO. KG,
Opposer,

-versus-

MACROSERVE PTE. LTD,
Respondent-Applicant.
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IPC No. 14-2012-00499
Opposition to Trademark
Application No. 4-2012-006979
Date Filed: 11 June 2008
Trademark: **"B.ELEMENT"**

Decision No. 2014-95

DECISION

Hugo Boss Trademark Management GMBH & Co., KG[1] ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-006979. The contested application, filed by Macroserve Pte. Ltd.[2] (Respondent-Applicant), covers the mark "B.ELEMENT" for use on *"cosmetics, facial creams, soaps, perfumery, essential oils, hair lotions"* under Class 03 of the International Classification of Goods[3].

Opposer anchors its opposition on the provisions of Section 123.1 subparagraphs (d), (e) and (f) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code")[4]. It claims that it is the first user and owner of the marks "ELEMENT", "ELEMENTS" and other trademarks containing the

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[1] A corporation organized and existing under the laws of Germany with business address at Dieselstrasse 12, D-72555 Metzingen, Germany.
[2] With address at Blk. 211 Henderson Roadm #10-03 Henderson Industrial Park, Singapore.
[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] Sec. 123. Registrability. -
123.1. A mark cannot be registered if it:
x x x
(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;
(e) 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 internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;
(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"

word "ELEMENT" or "ELEMENTS". It avers that its "ELEMENT" mark, which is registered with the Intellectual Property of the Philippines (IPOPHL), is visually and phonetically similar with Respondent-Applicant's mark "B.ELEMENT" as to be likely to deceive or confuse the minds of the relevant sector of the purchasing public. In addition, it contends that Respondent-Applicant's mark is to be used on goods directly competing with that on which its registered mark covers.

The Opposer further asserts that its trademark "ELEMENT" is internationally well-known mark as it has been registered and/or applied in for registration in various registries worldwide under Class 03. It maintains that the products bearing its "ELEMENT" trademark were first launched between February and April 2009 and since then, its products gained significant exposure in various media. It is concerned of the possibility of Respondent-Applicant to take advantage of or dilute the goodwill and diminish the distinctive character or reputation of its mark, thereby causing it irreparable damage.

In support of its Opposition, the Opposer presented as evidence the affidavit of Judith Eckl[5], with attachments.

This Bureau issued a Notice to Answer dated 18 February 2013 and served a copy thereof upon the Respondent-Applicant. The Respondent-Applicant, however, did not file an Answer. Accordingly, the Hearing Officer issued on 05 July 2013 Order No. 2013-962 declaring the Respondent-Applicant in default and the case submitted for decision.

The issue to be resolved in this case is whether the Respondent-Applicant's mark "B.ELEMENT" should be allowed.

The records and evidence show that at the time Respondent-Applicant filed for an application of registration of its mark "B.ELEMENT" on 11 June 2012, Opposer has an existing and valid registration of its trademark "ELEMENT" under Registration No. 4-2008-8118 issued on 27 October 2008.

Now, to determine whether the marks of Opposer and Respondent-Applicant are confusingly similar, the two are shown below for comparison:

ELEMENT	B.ELEMENT
Opposer's Mark	*Respondent-Applicant's Mark*

[5] Marked as Exhibit "C".

A perusal of the competing marks will show that they are indeed confusingly similar as both appropriate the word "element". The addition of "B." is not sufficient to eradicate the probability of confusion. Visually and aurally, it is easy to mistake one for the other in view of their close resemblance. After all, 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 an ordinary purchaser as to cause him to purchase the one supposing it to be the other.[6] Noteworthy, the Supreme Court held in **Acoje Mining Co., Inc. vs. The Director of Patents**[7] that:

> *"In the language of Justice J. B. L. Reyes, who spoke for the Court in American Wire & Cable Co. v. Director of Patents: 'It is clear from the above-quoted provision that the determinative factor in a contest involving registration of trade mark is not whether the challenging mark would actually cause confusion or deception of the purchasers but whether the use of such mark would likely cause confusion or mistake on the part of the buying public. x x x'"*

Moreover, Opposer's registration covers goods under Class 03, which are precisely the kind of products in which Respondent-Applicant intends to use its applied mark. Thus, it is highly probable that the purchasers would be led to believe that Respondent-Applicant's mark is a mere variation of or is associated to Opposer's mark. Withal, the protection of trademarks as intellectual property is intended not only to preserve the goodwill and reputation of the business established on the goods bearing the mark through actual use over a period of time, but also to safeguard the public as consumers against confusion on these goods.[8]

Succinctly, 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."[9]

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[6] Societe des Produits Nestle,S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.
[7] G.R. No. L-28744, 29 April 1971.
[8] Skechers, USA, Inc. vs. Inter Pacific Industrial Trading Corp., G.R. No. 164321, 23 March 2011.
[9] Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

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 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.[10]

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application "B.ELEMENT" is proscribed by Sec. 123.1(d) of the IP Code, which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor with an earlier filing or priority date, with respect to the same or closely related goods or services, or has a resemblance to such mark as to likely deceive or cause confusion.[11]

With the foregoing findings and conclusion, there is no need to dwell on the issue of whether or not the Opposer's mark is a well-known mark.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-006979 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 02 April 2014.

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

[10] Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.
[11] Great White Shark Enterprises vs. Danilo M. Caralde, Jr., G.R. No. 192294, 21 November 2012.