



BAYERISCHE MOTOREN WERKE,  
AKTIENGESELLSCHAFT,  
Opposer,

-versus-

GLT HOLDINGS INC.,  
Respondent-Applicant.

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}  
} IPC No. 14-2012-00141  
} Opposition to:  
} Appln. Serial No. 4-2011-006160  
} Date filed: 27 May 2011  
} TM: "NANO & DEVICE"  
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}  
}

### NOTICE OF DECISION

**BETITA CABILAO CASUELA SARMIENTO**  
Counsel for Opposer  
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1215 Acacia Avenue, Madrigal Business Park  
Ayala Alabang, Muntinlupa City

**GLT HOLDING, INC.**  
Respondent-Applicant  
B35 J. King & Sons  
Warehouse Complex, Opao  
Mandaue 6014, Cebu

#### GREETINGS:

Please be informed that Decision No. 2014 - 222 dated September 04, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 04, 2014.

For the Director:

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





**BAYERISCHE MOTOREN WERKE  
AKTIENGESELLSCHAFT,**

Opposer,

-versus-

**GLT HOLDINGS INC.,**

Respondent-Applicant.

} **IPC NO. 14-2012-00141**

} Opposition to:

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} Application No. 4-2011-006160

} Date filed :27 May 2011

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} Trademark: **NANO & DEVICE**

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x-----x } Decision No. 2014- 222

### DECISION

**BAYERISCHE MOTOREN WERKE AKTIENGESELLSCHAFT** (Opposer)<sup>1</sup> filed on 3 January 2011 an opposition to Trademark Application Serial No. 4-2011-006160. The application, filed by **GLT HOLDINGS INC.** (Respondent-Applicant)<sup>2</sup>, covers the mark “NANO AND DEVICE”, for use on “motorcycle tires” under Class 12 of the International Classification of Goods<sup>3</sup>.

The Opposer relies on the following grounds in support of its Opposition:

“1. The registration of the mark NANO is contrary to the provisions of Sections 123.1 (d), (e), and (f) of Republic Act No. 8293, as amended, which prohibits the registration of a mark that:

“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 with 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-

<sup>1</sup> A corporation organized and existing under the laws of Germany, with business address at BMW Building, Petuelring 130. D-80809 Munich, Germany

<sup>2</sup> A domestic corporation with address at B35 J. King & Sons Warehouse Complex, Opao Mandaue City 6014 Cebu

<sup>3</sup> The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.




known, account shall be taken 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 and 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;


“2. Opposer is the owner of the mark PARALLELOGRAM DEVICE depicted below:



which is registered with the Philippine Intellectual Property Office (IPO) under Registration No. 4-2005-010478 for ‘motor vehicles and their parts, included in class 12; apparatus for locomotion by land, air, water’ in class 12. The mark x x x is also registered for related goods and services in class 28 and 37.

“3. The mark  is depicted in actual commercial use in conjunction with the letter M, representing the Opposer’s Motorsport racing program as follows:








“4. The component x x x of the Respondent-Applicant’s mark NANO is confusingly similar to the Opposer’s mark  as registered and as actually used in commerce, as to be likely to deceive or cause confusion. Hence, the registration of the Respondent’s mark will be contrary to Section 123.1 (d) of Republic Act No. 8293.



“5. The Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act 8293. x x x The Opposer is domiciled in Germany. Both the Philippines and Germany are members of the Paris








Convention for the Protection of Industrial Property (Paris Convention). x  
x x


“6. The Opposer’s mark  is well-known and world famous. Hence, the registration of the Respondent-Applicant’s mark  will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Section 3, 123.1 (e); and 123.1 (f) of Republic Act No. 8293.

“7. Opposer has used the mark  prior to the filing date of the Respondent-Applicant’s mark  subject of this opposition. The Opposer continues to use the mark  in numerous countries worldwide.


“8. The Opposer has also extensively promoted the mark  worldwide. Over the years the Opposer has obtained significant exposure for its products and services on which the mark  is used in various media, including television commercials, outdoor and online advertisements, internationally well-known print publications, and other promotional events.


“9. Opposer has not consented to the Respondent-Applicant’s use and registration of the mark  or the component x x x, or any other mark identical or similar to the Opposer’s mark .

“10. The use by the Respondent-Applicant of the component x x x to the mark  in connection with ‘motorcycle tires’ in class 12, which is identical or closely-related to the ‘motor vehicles and their parts, included in class 12; apparatus for locomotion by land, air or water’ upon which the trademark  is used and registered by the Opposer in connection with its business, will mislead the purchasing public into believing that the Respondent-Applicant’s goods are produced by, originate from, or are under the sponsorship of the Opposer. Potential damage to the Opposer will also be caused as a result of its inability to control the quality of the products offered or put on the market by the Respondent-Applicant under the mark .

“11. The use by the Respondent-Applicant of the component x x x in its mark  in relation to its goods in class 12, being identical or closely-related to the Opposer’s goods in class 12 and related services



will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer's well-known mark 

"12. The denial of the application for the mark  is authorized under other provisions of Republic Act No. 8293.

The Opposer submitted as evidence the following:

1. Verified Notice of Opposition dated 25 April 2012;
2. Notarized and Authenticated Affidavit of Bettina May dated 25 April 2012;
3. Sample Promotional activities of the parallelogram device in BMW automobile activities;
4. Printed database of applications and registrations for the parallelogram device;
5. Representative copies of trademark registrations in other countries through the Madrid Agreement and Agreement;
6. Screen shots of the Opposer's websites; and
7. Notarized and Authenticated Certificate and Power of Attorney dated 25 April 2012.<sup>4</sup>

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 15 June 2012. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 14 February 2013 Order No. 2013-257 declaring the Respondent-Applicant in default.

Should the Respondent-Applicant be allowed to register the trademark NANO AND DEVICE?

Sec. 123.1. Registrability. 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
  - (ii) closely related goods or services; or
  - (iii) if it nearly resembles such a mark as to be likely to deceive or cause confusion.

The records show that when the Respondent-Applicant filed its application on 27 May 2011, the Opposer already has an existing registration for the trademark PARALLELOGRAM DEVICE issued on 15 January 2007 covering goods under Class 12 namely, "motor vehicles and their parts included in Class 12, apparatus for locomotion by land, air or water." The Respondent-Applicant's trademark application therefore indicates goods that are similar and/or closely related to those covered by the Opposer's

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<sup>4</sup> Exhibits "A" to "D"



trademark registration. The Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's, particularly, motorcycle tires, which flow through the same channels of trade.

But are the competing marks, depicted below resemble each other such that confusion, even deception, is likely to occur?

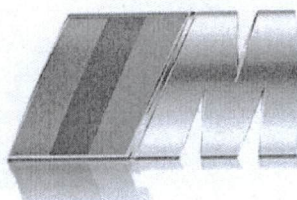


Opposer's mark



Respondent-Applicant's mark


The component of the Respondent-Applicant's mark NANO AND DEVICE consisting of three parallel slanting bars in clear color with black outline, is a colorable imitation of the Opposer's parallelogram. The similarity is even more apparent when the Opposer uses its mark in actual commerce in conjunction with the letter M, or BMW M, as depicted below:



Opposer's mark



Respondent-Applicant's mark

The evidence shows that the Opposer uses the parallelogram mark in connection with motor vehicles equipped with modified engines, transmissions, suspensions, interior trims, aerodynamics or exterior modifications. According to the Opposer, these modifications integrate features derived by the company from its BMW Motorsports racing program. Motor vehicles possessing these attributes are distinguished by the "M badge" which consist of the parallelogram device,  and the letter "M".

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's it is likely that the consumers will have the impression that these goods originate from a single source or origin. The confusion or mistake would subsist not only the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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.<sup>5</sup>

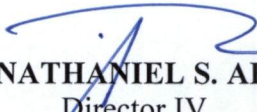
The public interest, requires that two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. It is emphasized that 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.<sup>6</sup>

The Respondent-Applicant despite the opportunity given, did not file an Answer to defend its trademark application and to explain how it arrived at using the mark NANO & DEVICE which is confusingly similar to that of the Opposer's PARALLELOGRAM DEVICE. Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.<sup>7</sup>

**WHEREFORE**, premises considered, the instant Opposition to Trademark Application No. 4-2011-006160 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 4 September 2014.

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

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<sup>5</sup> *Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

<sup>6</sup> *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

<sup>7</sup> *American Wire & Cable Company v. Director of Patents*, G. R. No. L-26557, 18 February 1970.