



**BENSON & HEDGES  
(OVERSEAS) LIMITED,**  
*Opposer,*

IPC No. 14-2012-00237

-versus-

Appln. Serial No. 4-2011-015113  
Filing Date: 19 December 2011  
Trademark: "ICE BALL DEVICE  
(LENS)"

**PHILIP MORRIS BRANDS SARL,**  
*Respondent-Applicant.*

Decision No. 2014 - 214

x -----x

### DECISION

BENSON & HEDGES (OVERSEAS) LIMITED ("Opposer")<sup>1</sup> filed an opposition to Trademark Application Serial No. 4-2011-015113. The application, filed by PHILIP MORRIS BRANDS SARL ("Respondent-Applicant")<sup>2</sup>, covers the mark "ICE BALL DEVICE (LENS)" for use on "tobacco, raw or manufactured; tobacco products, particularly cigars, cigarettes, cigarillos, tobacco for roll your own cigarettes, pipe tobacco, chewing tobacco, snuff tobacco, kretek, snus; tobacco substitutes (not for medical purposes); smokers' articles, particularly cigarette paper and tubes, cigarette filters, tobacco tins, cigarette cases and ashtrays, pipes, pocket apparatus for rolling cigarettes, lighters; matches" under class 34 of the International Classification of Goods and Services<sup>3</sup>.

The Opposer alleges the following:

6. Hence, this verified Notice of Opposition, which rests on the following grounds:

(a) Opposer is the prior user, applicant and registrant of the LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks in the Philippines, well before the filing date of Respondent's mark "ICE BALL DEVICE (LENS)", which was filed only on 19 December 2011.

x x x

Opposer has also applied for the registration of the BULLS-EYE (DEVICE) mark by itself, which application has an earlier filing date than Respondent's mark "ICE BALL DEVICE (LENS)". The application details of Opposer's BULLS-EYE (DEVICE) are laid out below.

The Opposer has also registered the LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks in the other countries. Opposer continues to use the LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks in the Philippines and throughout the world.

(b) The Opposer's registration and applications for the LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks, cover identical or related goods in class 34 as the goods covered by Respondent's application.

<sup>1</sup> A company organized under the laws of England and Wales with principal place of business at Globe House, 4 Temple Place, London, WC2R 2PG, England.

<sup>2</sup> A company organized and existing under the laws of Switzerland, with principal office at Quai Jeanrenaud 3, 2000 Neuchalet, Switzerland.

<sup>3</sup> The Nice Classification of goods and services is for registering trademark and service marks, based on a 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.

(c) The registration of the "ICE BALL DEVICE (LENS)" mark is contrary to the provisions of Section 123.1 (d), (e), (f) and (g) of Republic Act No. 8293, as amended, which provides: x x x

(d) Respondent's "ICE BALL DEVICE (LENS)" mark is nearly identical to Opposer's LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks.

As can be seen from the above, Respondent's adoption of a circular device comprising of concentric thin circles radiating from a central disc for tobacco and tobacco related products in Class 34 – which is the same goods and same class of goods wherein Opposer's mark and related marks are registered and use for – results in a mark that is practically identical and therefore confusingly similar to Opposer's well-known and registered marks.

The title of the mark is of no moment – as the mark is a device/ visual mark, thus consumers are not likely to refer to the mark by its given name of "ICE BALL DEVICE (LENS)".

(e) The Opposer has extensively used and registered the LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks in the Philippines and in other countries, thus making the said marks registered well-known trademarks.

(f) As owner of registered well-known trademarks, Opposer is entitled to a wider scope of protection under Philippine law and to protect its LUCKY STRIKE BULLS-EYE mark and related marks against marks that are liable to create confusion in the minds of the public or used in bad faith under Article 6bis of the Paris Convention, x x x

(g) If followed to proceed to registration, the consequent use of Respondent's mark "ICE BALL DEVICE (LENS)" will amount to unfair competition with and dilution of Opposer's LUCKY STRIKE BULLS-EYE mark and related marks, which have attained valuable goodwill and reputation through years of extensive and exclusive use. This is prohibited under Section 168 of the IP Code.

Opposer's goodwill is a property right separately protected under Philippine law,<sup>11</sup> and a violation thereof amounts to unfair competition proscribed under Article 10bis of the Paris Convention, Article 28 of the Civil Code and Section 168 of the IP Code: x x x

The registration and consequent use of Respondent's mark "ICE BALL DEVICE (LENS)" will result in a confusion of source or reputation, which is proscribed under the IP Code and applicable precedents; and

Other provisions of the IP Code and related international agreements or conventions on the subject of intellectual property rights warrant the denial by this Honorable Office of Respondent's trademark application.

7. Opposer and/or its related companies, predecessors-in-title, licensees and assignees in other countries have extensively promoted the BULLS-EYE (DEVICE) mark by itself and in conjunction with the LUCKY STRIKE marks and brand worldwide. Thus, the BULLS-EYE (DEVICE) and the LUCKY STRIKE mark and related marks have obtained significant exposure for the goods upon which the marks are used in various media, including television commercials, advertisements, internationally well-known print publications, and other promotional events.

8. Opposer has not consented to Respondent's use and application for registration of the "ICE BALL DEVICE (LENS)" mark, or any other mark identical or similar to Opposer's LUCKY STRIKE marks, the BULLS-EYE (DEVICE) and related marks.

9. At the very least, the use by the Respondent of the "ICE BALL DEVICE (LENS)" mark in relation to his goods or services, will take unfair advantages of, dilute and diminish the distinctive character or reputation of the BULLS-EYE (DEVICE) and the LUCKY STRIKE mark and related marks, which are valued assets of Opposer, and thereby result in the irreparable damage of Opposer's goodwill and reputation.

10. Given the Respondent's mark is practically identical to Opposer's marks/s and covers identical or related goods, the inescapable conclusion is that Respondent's mark is calculated to ride on or cash in on the popularity of Opposer's BULLS-EYE (DEVICE), LUCKY STRIKE mark and related marks, which have earned goodwill and reputation worldwide through years of Opposer's extensive use and promotion. There appears to be no reason why, of the unlimited choices of logos and devices available, Respondent would choose to use a mark confusingly similar to Opposer's marks.

12. Moreover, considering the substantial investment incurred by Opposer in promoting its goods and identifying themselves throughout the world through the BULLS-EYE (DEVICE) and the LUCKY STRIKE mark and related marks, Respondent's conduct in securing the registration of a mark similar to Opposer's and in exploiting the same can only lead to Respondent unfairly enriching itself at the expense of Opposer.

The Opposer's evidence consisting of Exhibits "A" to "C" inclusive of submarkings are the following:

1. Verified Notice of Opposition;
2. Affidavit of Nikolaus Herbert Mohr;
3. Cover page, and pages 30 and 31 of the British American Tobacco Group of Companies' publication 'Celebrating Our First 100 Years';
4. Extracts from 'The World's Greatest Brands'
5. Pages from the Voges Tobacco Encyclopedia published by Tobacco Journal International;
6. Representative copies of registrations for the BULLS-EYE (DEVICE) worldwide;
7. British American Racing Formula 1 Team clothing range and associated merchandise bearing the mark BULLS-EYE (DEVICE) for public sale;
8. British American Racing Formula 1 Team related products and racing cars, team uniforms and promotional materials bearing the mark BULLS-EYE (DEVICE);
9. Expenditure breakdown of brand support activity from 2002 to 2006; and,
10. Certificate and Power of Attorney signed by Nikolaus Herbert Mohr.

On 22 October 2012, Respondent-Applicant filed its answer, and alleges the following:

"History Nature of Business, and Business Track  
Record of Respondent-Applicant:

"11. It belongs to the Philip Morris International Inc. ("IPC") group of companies and is a wholly owned subsidiary of PMI.

"12. PMI is the world's leading international tobacco company, with products sold in approximately 180 countries worldwide.

"13. In 2011, PMI held an estimated 16.0 percent share of the total international cigarette market outside of the United States of America, or 28.1 percent excluding the People's Republic of China and the U.S.A. In terms of market share, PMI is the number one company in 13 markets and number

two in further ten of the 30 largest markets by cigarette industry size. PMI has an unequalled portfolio, led by the world's number one brand, MARLBORO.

"14. According to figures taken from PMI's official Annual Reports total shipments of MARLBORO branded cigarettes worldwide between 2007 and 2010 were as follows:

YEAR	VOLUME
2007	310.2 billion units
2008	310.7 billion units
2009	302 billion units
2010	297.4 billion units

"15. MARLBORO has also been ranked by Interbrand (an independent brand consultancy<sup>5</sup> that publishes an independent annual report on the best global brands by value) among the world's top 18 global brands every year from 2001 to 2010 (among other world famous brands such as Coca Cola, IBM, Microsoft and Google). The Interbrand Best Global Brand rankings are summarized in the table below:

YEAR	Interbrand Best Global Brand Ranking for MARLBORO
2010	18
2009	17
2008	18
2007	14
2006	12
2005	10
2004	10
2003	9
2002	9
2001	11

"16. Millward Brown, another international brand consultancy, ranked MARLBORO in 2012 as number 7 in its Brandz Top 100 Most Valuable Global Brands report (see [www.brandz.com](http://www.brandz.com)). Certified true copies of Interbrand's "Best Global Brand" rankings from 2001 to 2010 as well as of the 2012 Brandz report (as taken from the [www.interbrand.com](http://www.interbrand.com) and [www.brandz.com](http://www.brandz.com) websites) are submitted together with this Verified Answer through a separate Affidavit.

"17. Further information about the Respondent-Applicant and PMI and its products are available in its official website [www.pmi.com](http://www.pmi.com).

"Origin of the ICEBALL Lens and its  
Registration status:

"18. In 2008 Respondent-Applicant developed a cigarette product which adopts a special technology. It makes use of a capsule device at the middle part of the cigarette filter which, if activated by the adult smoker, releases a menthol flavor. This new product was called "MARLBORO BEYOND" and the capsule device was branded and became known as the "ICEBALL".

"19. MARLBORO BEYOND was not, however, the first cigarette on the market to contain such a capsule device. Therefore, to stand any chance of success, Respondent-Applicant recognized the need to develop new packaging for the MARLBORO BEYOND products that stood out from the competition and was unique, exclusive and a real innovation for the MARLBORO brand. Respondent-Applicant also recognized that the ICEBALL itself was a key feature of the product and, therefore, as part of the design and development process, decided to create a standalone trademark for these products based around the ICEBALL concept. The new trademark needed to be something that was completely unique, distinctive and also instantly recognizable to adult smokers as identifying the MARLBORO brand.

"20. To achieve this, Respondent-Applicant developed a three dimensional convex spherical mirror shaped device, x x x

"21. As far as Respondent-Applicant is aware, nothing similar has been used before on cigarette packaging anywhere in the world. To emphasize the standalone nature of the ICEBALL Lens, Respondent-Applicant positioned it on the top left corner of the pack, x x x

"22. The new pack design (including the ICEBALL Lens) was tested with adult smokers in a number of markets including Italy, France, Japan and Korea. There was very strong reaction in every market where testing was carried out, with the ICEBALL Lens being among the top three most popular elements of the pack design.

"23. To protect this success, Respondent-Applicant has caused the application and registration of the ICEBALL Lens mark in numerous jurisdictions. The details of these trademark registrations and applications are as follows (note that the pending applications have all been accepted by the relevant registries): x x x

"24. To protect it here in the Philippines, the instant application was filed. And in due course, this application underwent examination stage with the examiner not citing any existing registered marks that can pose confusing similarity objections. None can be cited, because it is plain that in the cigarette market, there is no brand which also depicts the same three dimensional convex spherical mirror (it is, after all, a complex device and not a common place geometric shape or a usual figurative element), which therefore confirms ICEBALL Lens as uniquely distinctive of the applicant respondent's cigarettes.

"The Opposer's Device:

"25. On the other hand, the cited LUCKY STRIKE trademark of Opposer contains the dominant words LUCKY and STRIKE, which are not found in ICEBALL Lens, which therefore renders it as completely different in appearance from ICEBALL Lens.

"26. Opposer's trademark which is foisted as the source of Opposer's trademark rights and upon which this opposition is based is a composite trademark whose architecture depicts prominently the word "LUCKY STRIKE" surrounded by concentric two dimensional circles which also form the background of the "LUCKY STRIKE" words.

"27. When the words "LUCKY STRIKE" are removed from the trademark, what remains is a plain two-dimensional circle which has no special features or peculiarities that will elevate it to a distinctive sign, capable of distinguishing Opposer's products from the rest.

“28. This plain two-dimensional circle has been denied registration in countries like New Zealand, Thailand and Saint Lucia primarily because it lacks the requisite distinctiveness of a trademark.

- a. The Intellectual Property Office of New Zealand found, Opposer’s Device devoid of distinctive character.
- b. In Thailand, the Trademark Registrar found that Opposer’s Device is not distinctive enough for the public to recognize or differentiate the goods covered by Opposer’s Device from others’ goods.
- c. In Saint Lucia, Opposer’s Device was denied registration after determining that said mark is not peculiar enough to make it capable of distinguishing the Applicant’s goods from the goods of other competitors; that Opposer’s Device is a simple geometric figure which portrays goods which any trader in the tobacco industry should be allowed to use in the course of trade.

“29. In the Philippines, Opposer’s LUCKY STRIKE trademark which incorporates Opposer’s Device was not cited as a bar to Respondent-Applicant’s ICEBALL Lens trademark.

“30. Opposer’s application for registration, App. No. 4-2010-002563, is under scrutiny in the opposition filed by Respondent-Applicant on November 8, 2012, entitled “Philip Morris Products S.A vs. Benson & Hedges (Overseas) Limited” and is docketed as Inter Partes Case No. 14-2010-00272. The grounds cited against it are as follows:

- a. Opposer’s Device, which consists merely of an ordinary geometric figure of a circle, is devoid of any distinctive character and thus incapable of distinguishing the goods of Opposer from another enterprise; as such, the subject trademark is a designation that cannot function as a source identifier and may not be registered under Section 121.1 of the IP Code.
- b. It lacks requisite distinctiveness because it consists of a plain and ordinary image or representation of a circle which immediately and unmistakably describe to relevant consumers of tobacco, cigarettes and other tobacco products, to be the representation of image of the top view or bottom view of a cigarette stick; as such, the trademark is merely descriptive because it solely and exclusively designates the kind, nature, quality, intended purpose, characteristics of the goods covered by the application and therefore incapable of registration under Section 123.(j) of the IP Code.
- c. It has not acquired distinctiveness through use as required under Section 123.2 of the IP Code.
- d. In any event, it represents the shape of one end of a cigarette stick; thus, for being a shape that is essentially functional, its registration is proscribed under Section 123.1(k) of the IP Code.

#### “SPECIAL AND AFFIRMATION DEFENSES

First Defense: LUCKY STRIKE is obviously not confusingly similar to ICEBALL Lens.

Second Defense: Giving Opposer the exclusive right to use the Opposer’s Device creates an impermissible monopoly in favor of the Opposer to the detriment of owners who have already registered trademarks using circular figures and of countless other businesses who advertise or sell products and services with the use of circular figures.

Third Defense: Opposer failed to prove acquired distinctiveness and hence, it cannot be cited as against ICEBALL Lens.

Fourth Defense: On the other hand, ICEBALL Lens is clearly distinctive.

Fifth Defense: Opposer’s Device is visually different to ICEBALL Lens.

Sixth Defense: Opposer's Device and/or LUCKY STRIKE trademarks cannot qualify as well-known under Section 123.1 (e) of the IP Code.

Seventh Defense: Respondent-Applicant will never have any motive to copy anybody's trademarks."

The Respondent-Applicant's evidence consisting of Exhibits "1" to "17" inclusive of submarkings are the following:

1. Verified Notice of Opposition;
2. Affidavit of Georg Punkenhofer;
3. Extract from the Commercial Register issued by the Companies Registry of the Canton of Neuchatel and English translation on the existence of Philip Morris Brands Sarl;
4. Extracts from the 2008, 2009 and 2010 online Annual Reports;
5. Interbrand's "Best Global Brand" rankings in 2001-2010, and the 2012 Bradz report;
6. Certificates of trademark registration for the ICEBALL Lens Trademark in Afghanistan, Aruba, Australia, British Virgin Islands, Colombia, Costa Rica, Curacao, Dominica, Dominican Republic, European Union, Honduras, Hong Kong, Japan, Lebanon, Macao, New Zealand, Norway, Panama, Peru, Saudi Arabia, Singapore, St. Maarten, Switzerland and Uruguay;
7. Affidavit of Jacques Weiss;
8. Affidavit of Jan Abigail L. Ponce;
9. Special Power of Attorney with Certification;
10. Print out of the website [www.pmi.com](http://www.pmi.com);
11. Decisions in the opposition against Opposer's BULLS EYE (DEVICE) in New Zealand, Thailand and St. Lucia;
12. Details of Philippine Trademark Registrations with Registration Nos.42000010507, 42005012443, 42007003594, 42005003888, and 42012002931.

On 04 February 2013, the preliminary conference was called and terminated, and the instant case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark ICE BALL DEVICE (LENS).

The instant opposition is anchored on Section 123.1 paragraphs (d), (e), (f) and (g) of the Intellectual Property Code which provides that a mark cannot be registered on the following grounds, respectively: 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 mark as to be likely to deceive or cause confusion; if the mark 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, 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 the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark; if the mark is similarly considered well-known, which is registered in the Philippines with respect to goods or services which are not similar to the applied registration: Provided, that the use of the mark would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, that the interests of the registrant are likely to be damaged by use such; and, if it is likely

to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services.

The records and evidence show that at the time the Respondent-Applicant filed its trademark application on 19 December 2011<sup>4</sup>, the Opposer has prior application and registration for several variants of LUCKY STRIKE trademark featuring the BULLS-EYE (DEVICE): Lucky Strike its Toasted Luckies Label (For Validation of Application No. 64312 dated 22 April 1997); Lucky Strike Original Red (Label) (Registration No. 4-2004-009964, dated 11 June 2010); Lucky Strike L.S./M.F.T. Label (Registration No. 4-1994-094157 dated 01 March 2001); Lucky Strike Lights (Label in Color) (Registration No. 4-1998-007418 dated 06 November 2006); Lucky Strike (Registration No. 4-2004-009962 dated 11 June 2010); and BULLS-EYE (DEVICE) (Application No. 4-2010-002653 dated 10 March 2010).<sup>5</sup> These registrations cover class 34.

Nevertheless, it is unlikely that the coexistence of the marks will cause confusion, much less deception, among the public. The competing marks are reproduced as follows:



Opposer's Trademarks



Respondent-Applicant's Trademark

The competing marks are not confusingly similar. The foregoing variants of Opposer's LUCKY STRIKE trademarks with a circular figure show that the more apparent feature are the words LUCKY and STRIKE. These words are not included in Respondent-Applicant's applied mark ICE BALL DEVICE (LENS). On the other hand, Opposer's BULLS EYE DEVICE is obviously the two dimensional circular figure taken from the various LUCKY STRIKE marks of the Opposer. It is quite obvious that the visual representation of the BULLS-EYE DEVICE is different from that of the ICE BALL DEVICE. The latter is a three dimensional figure which depicts height, width and depth through its representation of a convex spherical mirror with reflection of light in the upper and lower outer circular figure, which takes the form

<sup>4</sup> File wrapper records.

<sup>5</sup> IPOPHI Trademarks Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 15 August 2014).



of an opaque with steam facet, not allowing light to pass through. The totality of the aural and visual properties of both devices impresses distinctiveness from each other.

The Supreme Court declared that, "the petitioner has not shown that the design portion of the mark has been so used that purchasers recognized the design, standing alone, as indicating goods coming from the registrant. As correctly stated by the Director of Patents, common geometric shapes such as diamonds ordinarily are not regarded as indicia of origin for goods to which the remarks are applied unless they have acquire a secondary meaning."<sup>6</sup> In the instant case, there is no evidence that the two dimensional and plain circular figure of the Opposer's trademark has acquired secondary meaning with respect to its cigarette or tobacco business. It is the word "Lucky Strike" which identifies the tobacco or cigarettes as the product of the Opposer.

Furthermore, it is doubtful if the consumers in encountering Respondent-Applicant's ICE BALL DEVICE mark will have in mind or be reminded of Opposer's BULLS-EYE DEVICE mark. The Opposer has not established that BULLS-EYE DEVICE is a well-known mark in accordance to Rule 102 of the Rules and Regulation on Trademarks, Service Marks, Tradenames and Marked or Stamped Containers, to support a claim that the Respondent-Applicant's trademark application and use of the mark manifest the latter's intent of riding in on the goodwill supposedly earned and enjoyed by the Opposer's mark. It failed to show the extent, duration and the degree of use, registration, promotion and market share of its mark BULLS-EYE DEVICE in the Philippines and in other countries.

It is emphasized that the essence of trademark registration is to give protection to the owners 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 or 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>7</sup> This Bureau finds that the mark GLIPEX meets this function.

**WHEREFORE**, premises considered, the Opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 04-2011-015113 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 18 August 2014.

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

<sup>6</sup> Victorias Milling Company, Inc. v. Ong Su and the Honorable Tiburcio S. Evalle, G.R. No. L-28499, 30 Sept. 1977.

<sup>7</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No., 115508, 19 Nov. 1999.