



OFFICE OF THE DIRECTOR GENERAL

SPEEDO HOLDINGS BV,
Appellant,

Appeal No. 04-2011-0021

-versus-

Application No. 4-2009-007583

Date Filed: 30 July 2009

DIRECTOR OF BUREAU OF
TRADEMARKS,

Trademark: FLEXIFIT

Appellee.

X-----X

D E C I S I O N

SPEEDO HOLDINGS BV (“Appellant”) appeals the decision of the Director of Bureau of Trademarks (“Director”) which sustained the final rejection of the Appellant’s application to register the mark “FLEXIFIT”.

Records show that the Appellant filed on 30 July 2009 Trademark Application No. 4-2009-007583 for FLEXIFIT for use on swimming goggles; protective eyewear; spectacles; sunglasses; masks and eye pieces all for use for swimming; swimming masks, goggles and protective goggles for sports and games activities, namely, swimming, surfing, sailing and windsurfing; and visors. Subsequently, the Examiner-in-Charge (“Examiner”) issued a “REGISTRABILITY REPORT”¹ stating that the mark may not be registered because it nearly resembles a registered mark belonging to a different proprietor and the resemblance is likely to deceive or cause confusion.

The Appellant filed a response letter dated 22 January 2012 stating that the mark cited by the Examiner covers the class of goods on clothing, boots, shoes and slippers while its mark covers optical apparatus such as goggles, sun glasses, eye wear, spectacles, and visors. The Appellant claimed that their marks can coexist as they cover goods that are not related and belonging to different classes. The Appellant maintained that the spelling and number of syllables of the mark cited by the Examiner is different from its mark. Thus, according to the Appellant, the differences in the spelling, number of syllables, and classes of goods will definitely not deceive or cause confusion.

The Examiner issued another official action² stating that the Appellant’s may not be registered because it nearly resembles an active registered mark³. The Examiner asserted that the goods covered by the Appellant’s mark and this registered

¹ Paper No. 2 with mailing date of 19 October 2009.

² Paper No. 05 with mailing date of 16 February 2010.

³ Registration No. 4-1999-5094.

mark are related and the difference in one letter between these marks is immaterial to distinguish one from the other considering the similarity in their sound.

On 06 April 2010, the Appellant filed a response maintaining that the goods covered by its mark are not related to the mark cited by the Examiner. The Appellant claimed that the physical appearances, the manner of using, and the essential parts (textures) of the goods of its mark and the mark cited by the Examiner are entirely different with each other. The Appellant maintained that even an ordinary purchaser can easily distinguish the difference on the goods covered by these marks. According to the Appellant, goods for the protection of the eyes cannot be mistaken for a bathing suit, bathing trunks, and any of the other goods covered by the mark cited by the Examiner.

Subsequently, the Examiner issued a “FINAL REJECTION”⁴ stating that:

“After an examination of the application, the undersigned IPRS has determined that the mark subject of the application cannot be registered because it nearly resembles Reg. No. 4-1999-5094, TM: Flexfit, which belongs to a different entity. The presence of “I” in the subject mark is immaterial to distinguish one from the other, considering the similarity in sound. Marks may be confusingly similar despite the addition, deletion or substitution of letters or words. With regard to the goods covered by the marks, confusing similarity exists even if the goods are not exactly the same and they fall under different classes. The goods covered by this application are very much related to the goods of the other entity since the items are used for swimming/water activities like that of the cited. As to the target market, they cater to the same channels of trade and class of purchasers. The commercial impression it gives to the public is that they both originate from the same source.”

On 01 October 2010, the Appellant filed with the Director a “NOTICE OF APPEAL WITH APPEAL BRIEF” maintaining the position that its mark covers goods that belong to a different class and are not entirely connected to the goods covered by the mark cited by the Examiner. The Appellant contended that the Supreme Court has ruled in several cases that even if marks are identical but covered different classes, these marks can coexist.

After the appropriate proceedings, the Director rendered a decision⁵ sustaining the final rejection of the Appellant’s application to register FLEXIFIT. The Appellant filed on 31 August 2011 a “MOTION FOR RECONSIDERATION” which the Director denied in her Order dated 10 October 2011. Not satisfied with the decision and order of the Director, the Appellant filed on 28 October 2011, an “APPEAL MEMORANDUM TO THE HONORABLE DIRECTOR GENERAL” alleging the following grounds for the appeal:

GROUND FOR THE APPEAL

1. That the use of cited mark “FLEXFIT” and subject mark “FLEXIFIT” will not likely cause confusion as to the source/origin of the goods on the buying public.

⁴ Paper No. 07 with mailing date of 01 June 2010.

⁵ DECISION dated 08 August 2011.

2. That the cited and subject marks do not refer to related goods, and actually belongs to different classes.

On 07 December 2011, the Director filed her "COMMENT" stating that the Appellant's mark is confusingly similar with the mark cited by the Examiner. The Director avers that the prevalent feature in both marks is the word "FLEXFIT" and hence, aurally, phonetically, and visually, these marks are the same. The Director claims that while the goods covered by these marks belong to different classification, their owners are engaged in the same line of business which is the sale of goods used for swimming or water sports activities and that these goods are both traded in similar channels. The Director asserts that registered trademark owners enjoy the protection of their goods or services that are within the normal expansion of their business.

The issue in this appeal is whether the Director was correct in sustaining the rejection of the Appellant's application to register the mark FLEXIFIT.

Below are the illustrations of the Appellant's mark and the registered mark cited by the Examiner:

FLEXIFIT

Appellant's mark

FLEXFIT

Mark cited by the Examiner

At a glance, one can see the similarity in these marks. They are both word marks with only the letter "I" as the difference in their spelling. The marks are, therefore, similar if not identical. Sec. 123.1 (d) of the IP Code provides that 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 mark cited by the Examiner refers to Certificate of Registration No. 41999005094 issued on 21 May 2004 for use on bathing caps, bathing suits, bathing trunks, berets, caps (headwear), football shoes, footwear, gloves (clothing), hats, headgear for wear, mittens, pants, scarves, shirts, socks, sports jerseys, suits (bathing), swimsuits, t-shirts, top hats, trousers, underwear, uniforms, waterproof clothing, wet suits for water skiing. This mark, thus, covers goods used for swimming which are related to the goods covered by the Appellant's mark.

Sec. 138 of the Intellectual Property Code of the Philippines ("IP Code") provides that:

SEC. 138. Certificate of Registration.- A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.

In this regard, the mark cited by the Examiner bars the registration of the Appellant's mark. The certificate of registration for FLEXFIT gives the presumption of the validity of the registration of this mark. Moreover, the registrant of this mark has the exclusive right to use it for goods and services and those related thereto specified in the certificate. In this instance, the registered mark cited by the Examiner applies to goods used in swimming activities which are closely related to the Appellant's goods.

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.⁶

Accordingly, to allow the registration of the Appellant's mark would defeat the benefits given to the holder of the registered mark FLEXFIT. The registration of FLEXIFIT goes against the rationale of trademark registration and is not in accord to the rights given to the holder of a certificate of trademark registration to exclude others from the use of the registered mark on similar and related goods specified in the certificate.

Significantly, the proceeding before the examiner of the Bureau of Trademarks is *ex-parte*. It is prosecuted *ex parte* by the applicant, that is, the proceedings are like a lawsuit in which there is a plaintiff (the applicant) but no defendant, the court itself (the Examiner) acting as the adverse party.⁷ The Intellectual Property Office of the Philippines represented by the Examiner is not supposed to look after the interest of an applicant. The law imposes that duty upon the applicant himself. The Examiner is charged with the protection of the interests of the public and, hence, must be vigilant to see that no registration issues for a mark contrary to law and the Trademark Regulations.⁸ The Examiner will look if the trademark can be registered or not.

In the case at hand, the Examiner finds that the registration of the Appellant's mark is contrary to the laws on the registration of trademarks. The intellectual

⁶ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999.

⁷ Trademark Regulations, Rule 600.

⁸ Trademark Regulations, Rule 602.

property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

WHEREFORE, premises considered, the instant appeal is hereby DISMISSED. Let a copy of this Decision be furnished the Director of the Bureau of Trademarks for appropriate action, and the library of the Documentation, Information and Technology Transfer Bureau for information and records purposes.

SO ORDERED.

03 NOV 2014

Taguig City.


RICARDO R. BLANCAFLOR
Director General