



OFFICE OF THE DIRECTOR GENERAL

<p>MIZUNO CORPORATION, Opposer-Appellant,</p> <p>-versus-</p> <p>FUJIAN HONGXING ERKE SPORTS GOODS CO., LTD., Respondent-Appellee.</p>	<p>Appeal No. 14-2012-0018 IPC No. 14-2009-00063 Opposition to: Application No. 4-2006-013725 Date Filed: 21 December 2006 Trademark: “ERKE & DEVICE”</p>
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DECISION

This is an Appeal from Decision No. 2012-21, dated February 10, 2012, of the Director of the Bureau of Legal Affairs (BLA), dismissing the Opposition and giving due course to the application for registration of the mark ERKE & DEVICE.

CASE SUMMARY

On August 4, 2006, Respondent-Appellee filed for registration of the mark ERKE & DEVICE under Class 25 for “sports clothes; layettes (clothing); bathing suits; running shoes (with metal nails); shoes; headgear for wear; hosiery; gloves (clothing); neckties; leather belt (clothing).”¹ Opposer-Appellant is the registered owner of the trademark “Runbird Device/Mizuno Logo” and its variations, under Class 18 for “bags, and umbrellas; namely sports bags, travelling bags, baseball & softball bat cases, rucksacks and golf umbrellas”²; Class 25 for “sporting goods and sports wear such as uniforms, shoes, gloves”³; and Class 28 for “tennis rackets, ball, bats, knee pads, pumps, skis, golf clubs.”⁴

¹ Entry in “(6) Goods or Services”, Trademark Application Form.
² 500517-RUNBIRD DEVICE/MIZUNO LOGO, IPOPHL Trademarks Database, available at <http://www.wipo.int/branddb/ph/en/>, last accessed November 11, 2014.
³ 37569-MIZUNO, IPOPHL Trademarks Database, available at <http://www.wipo.int/branddb/ph/en/>, last accessed November 11, 2014.
⁴ *Id.*

The Opposer-Appellant based its Opposition on the following grounds:⁵

1. The resemblance of the two marks would indicate a connection between their goods to the prejudice of the Opposer's goodwill.
2. Confusing similarity between the contending marks.
3. Opposer's mark is internationally well-known.
4. Respondent acted in bad faith.
5. Opposer's business will suffer irreparable injury by the registration of Respondent's mark.
6. Opposer, a Japanese company, is entitled to protection under the Paris Convention and the WTO.

In its Answer⁶, Respondent-Appellee averred that:

1. It is a leading sports goods manufacturer in China, where the ERKE & DEVICE mark was registered in its name on 14 Sept. 1999 under Class 25. It is also registered in over 100 countries, including the Philippines.
2. ERKE & DEVICE is also registered under the Madrid System.
3. Opposer has no cause of action since:
 - There is no confusing similarity between the marks.
 - Opposer submitted no argument that the marks are aurally and/or conceptually alike and focused only **on the visual** aspect of the marks. Thus, it admits that the marks are different from each other.
 - The word constitutes the dominant component.
 - Since the products involved are not ordinary household items, the ordinary purchaser will be inclined to closely examine specific details and thus confusion is less likely.
4. Opposer's mark has not been declared by a competent authority in the Philippines to be well-known internationally and in the Philippines.
5. It has every right to register ERKE & DEVICE as it is the true and rightful owner of the mark by reason of its real, actual and **absolute use** of the

⁵ See Verified Notice of Opposition, p. 2-4, dated 16 February 2009.

⁶ See Verified Answer, pp. 2-9, dated 25 August 2009.

mark in the concept of owner and its being the senior applicant for the registration of the said mark.

6. The BOT allowed the application for registration of the mark and the respondent complied and completed all the pertinent requirements for registration.
7. Opposer is barred by acquiescence, laches and estoppel from opposing the registration of the mark.

The BLA Director dismissed the Opposition and ruled⁷ that the device in Respondent's mark is not identical to the "running bird" device in the Opposer's mark. He stressed the observable differences in the respective devices' angles, slants and curves, noting the presence of a triangular-shaped cavity/void/hole in the lower middle portion of the device in the Opposer's mark, which is absent in the Respondent's mark.

The Director further explained the concept of a "composite mark" to negate the likelihood of confusion:

Moreover, the Respondent-Applicant's mark is a composite mark consisting of a device and the word "ERKE". A visual assessment of the Respondent's mark shows that neither of the device or the word "ERKE" is the dominant part of the mark. The device and "ERKE" instead complement each other to form a mark with a character that is distinct from the Opposer's. Assuming in arguendo that there are similarities between the devices, the word "ERKE" made confusion/deception unlikely.⁸

Hence, this appeal.

ISSUE

Amidst the plethora of issues raised by the parties herein, the singular and crucial issue to be resolved is whether or not the Respondent-Appellee's mark is confusingly similar to that of the Opposer-Appellant's.

RULING

We rule in the negative.

⁷ See Decision No. 2012-21, p. 7, dated 10 February 2012.

⁸ Decision No. 2012-21, p. 7, dated 10 February 2012.

A side-by-side comparison of the opposing marks clearly demonstrates the absence of confusing similarity:



Opposer-Appellant's mark



Respondent-Appellee's mark

The BLA Director correctly observed that the contending marks are not identical considering the differences in the angles, slants, curves and geometrical shapes in the respective devices. While it may be argued that the general appearance of the device in the Respondent-Appellant's mark bears a similarity to the device in the Opposer-Appellant's mark, such similarity is not such as to nearly resemble each other as to be likely to deceive or cause confusion.⁹ Significantly, the Supreme Court had held that not every similarity is prohibited by law – the similarity must be such that the ordinary purchaser will be deceived into the belief that the goods are those of another.¹⁰

In other words, whatever similarity may be present between the opposing marks cannot be characterized as “confusing”. As the Director clearly ratiocinated, the mark is a composite one and the combination of the device and the word mark gives each mark a distinct character and appearance.¹¹ It is quite obvious that the words MIZUNO and ERKE are totally different, and combining them with their respective devices undoubtedly creates two distinctive marks that can never confuse the buying public. The Supreme Court had explained the basis of this confusion when it held that:

Whether a trademark causes confusion and is likely to deceive the public hinges on “colorable imitation” which has been defined as “such similarity in form content, words, sound, meaning special arrangement or general appearance of the trademark or trade name in their overall presentation or in their essential and substantive and distinctive parts as would likely mislead or confuse persons in the ordinary course of purchasing the genuine article.”¹²

⁹ See Section 123.1(d)(iii), Intellectual Property Code.

¹⁰ See *The Alhambra Cigar and Cigarette Manufacturing Co. v. Compania General de Tabacos de Filipinas*, G.R. No. 11490, October 14, 1916.

¹¹ See Decision No. 2012-21, p. 7, dated 10 February 2012.

¹² *Mighty Corporation vs. E.J. Gallo Winery*, G.R. No. 154342, 14 July 2004.

Moreover, there can be no confusion of goods or business since the goods involved – sports wear – are not ordinary, everyday household goods that the prospective buyer will casually buy without a careful scrutiny of the product or of its origin. Assuming *arguendo* that the Opposer-Appellant's mark is an internationally well-known mark, it is all the more logical that buyers would be more discerning and discriminating of the trademark and manufacturer of the sports wear that they are purchasing, leaving no room for confusion. In a similar case involving litigants both dealing in women's undergarments, the Supreme Court emphasized the characteristic of buyers that would negate confusion, to wit:

The ordinary purchaser must be thought of as having, and credited with, at least modicum of intelligence (Carnation Co. vs. California Growers Wineries, 97 F. 2d 80; Hiram Walke and Sons vs. Penn-Maryland Corp., 79 F. 2d 836) to be able to see the obvious differences between the two marks in question. Furthermore, we believe that a person who buys the petitioner's products and starts to have a liking for it, will not get confused and reach out for private respondent's products when she goes to a garment store.¹³

Having disposed of the central issue of confusing similarity, the issue of whether the Opposer-Appellant's mark is internationally well-known raised in its Memorandum of Appeal need not be resolved for being moot and academic.

Wherefore, in view of the foregoing, the appeal is hereby DENIED. The BLA Decision No. 2012-21, dated February 10, 2012, dismissing the Opposition against Trademark Application No. 4-2007-011238 is hereby AFFIRMED and the application for registration of the mark ERKE & DEVICE is hereby given due course.

Let a copy of this Decision as well as the trademark application and records be furnished to the Director of the Bureau of Legal Affairs and the Bureau of Trademarks for their appropriate action. Further, let a copy of this Decision also be furnished to the library of the Documentation, Information and Technology Transfer Bureau for information, guidance and records purposes.

SO ORDERED.

NOV 21 2014 , Taguig City.


RICARDO R. BLANCAFLOR
Director General

¹³ Fruit of the Loom, Inc. vs. Court of Appeals, G.R. No. L-32747, 29 November 1984.