



OFFICE OF THE DIRECTOR GENERAL

HOMER TLC, INC.,
Appellant,

-versus-

CW MARKETING & DEVT.
CORP.,
Appellee.

X-----X

APPEAL NO. 14-2013-0038
IPC No. 14-2011-00376
Opposition to:

Application No. 4-2010-011874
Trademark: THE HOME DEPOT
BY CW GROUP ALL UNDER ONE
ROOF

NOTICE

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GREETINGS:

Please be informed that on 15 December 2014, the Office of the Director General issued a Decision in this case (copy attached).

Taguig City, 15 December 2014.

Very truly yours,

[Signature]

ROBERT NEREO B. SAMSON
Attorney V

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HOMER TLC, INC.

Appellant,

- versus -

CW MARKETING & DEV'T CORP.,

Appellee.

X-----X

Appeal No. 14-2013-0038

IPC No. 14-2011-00376

Opposition To:

Application No. 4-2010-011874

Date Filed: 02 November 2010

Trademark: **THE HOME DEPOT
BY CW GROUP ALL UNDER
ONE ROOF**

DECISION

HOMER TLC, INC. ("Appellant") appeals Decision No. 2013-149, dated 30 July 2013, of the Director of the Bureau of Legal Affairs ("Director") dismissing its opposition to Trademark Application No. 4-2010-011874 filed by CW MARKETING & DEV'T CORP. ("Appellee").

Records show that on 02 November 2010, the Appellee filed a trademark application for "THE HOME DEPOT BY CW GROUP ALL UNDER ONE ROOF" for services under class 35 of the Nice International Classification¹, namely "retail store for – building materials; hardware & construction materials". After publication of the application on 04 July 2011, the Appellant filed a Verified Opposition on 03 October 2011. The Appellant based its opposition on the claim that it is the prior registered owner of the mark "THE HOME DEPOT WITH AN INCLINER TO THE RIGHT POSITION INSIDE A SQUARE" under Registration No. 61496. It cites section 123.1 of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"), which provides that a mark cannot be registered if it is identical or nearly resembles a registered mark, belonging to a different proprietor, as to be likely to deceive or cause confusion.

In its Verified Answer to the Opposition, the Appellee argued that it has actually used, in good faith, the trademark being applied for, in connection with its retail/wholesale business for the sale of building materials, hardware and construction materials in the Philippines. It further contended that the words "HOME DEPOT" have already reached a status of customary use in everyday language so as to convey a one-stop shop similar to a mall for the sale and distribution of goods and services related to building materials, hardware and construction materials.

¹ The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service 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 Registration of Marks, and was concluded in 1957.

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According to the Appellee, such status is tantamount to being generic for the subject services, as well as merely descriptive of the kind, quality and intended purpose of the services or business, and thus should not be lifted from the public domain where it should be readily available for everyone to use.

After the appropriate proceedings, the Director rendered the subject Decision, denying the Appellant's opposition. The Director noted that at the time the Appellee filed its trademark application on 02 November 2010, the Appellant already had prior existing registrations, as follows: (1) Trademark Registration No. 61496 for "The Home Depot with an Inclinor to the Right Position Inside a Square" for services under class 42, namely "retail home improvement centers", issued on 22 August 1995; and (2) Trademark Registration No. 4-2000-007770 for "The Home Depot" wordmark for services under Class 35, namely "retail home improvement store services, mail order services, catalog sales services and sales through electronic means in the Philippines", issued on 31 December 2005. The Director further noted the Appellant's various registrations in different countries.

However, in denying the Appellant's opposition, the Director cited the Appellant's registration, which disclaimed the exclusive right to use the word "HOME". Similar disclaimers for the words "HOME", "DEPOT", and "GROUP" were also found in the Appellee's trademark application. The Director ruled that the opposition cannot be based on the argument that the subject trademark application contains the words "HOME DEPOT", as it is already considered a generic or at least a descriptive term. According to the Director, "Home Depot" commonly refers to a large warehouse providing building materials for the construction industry, or a chain of home improvement warehouse, or a retailer of home improvement products, or a storehouse or warehouse, as a building where freight is deposited. To grant the subject opposition would then be tantamount to giving the Appellant the exclusive right to use generic or descriptive terms.

Nevertheless, the Director held that the Appellee's trademark application should be given due course despite containing the generic or descriptive terms "HOME DEPOT", since it is a composite mark. The Director noted the distinctive properties of the Appellee's trademark, particularly the "roof design" with the words "BY CW ALL UNDER ONE ROOF AND THE DEVICE OF A ROOF", the font and colors of the letters or words adopted, as well as their configuration.

The Director also took judicial notice of the fact that various trademark registrations exist in the Trademark Registry, which contain the words "HOME DEPOT", although subject to the same disclaimers. Lastly, the Director noted that in the Petition for Cancellation filed by the herein Appellant against the herein Appellee in *Inter Partes* Case No. 14-2011-00429, involving the prior existing trademark registration of the Appellee for "THE HOME DEPOT W/ DEVICE" under Registration No. 9617 issued on 14 April 2008, the validity of such registration had already been maintained, and the Appellee's present application involves a mere variation of the mark subject of such case.



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Dissatisfied, the Appellant filed the subject appeal, seeking the reversal of the Director's Decision, and praying that its opposition to the Appellee's trademark application be granted. In its Appeal Memorandum, the Appellant argued that the term "HOME DEPOT" is merely suggestive, and not generic nor descriptive. It claims that, to the consuming public, the term connotes "box format stores of home improvement and construction products". According to the Appellant, the words "HOME" and "DEPOT", taken together or separately, are not usually associated with construction and home improvement stores. On the other hand, it contends that it is only through the efforts of the founders of "THE HOME DEPOT" that the term "HOME DEPOT" has come to connote the service of retailing home improvement and construction products, as offered by the Appellant.


The Appellant further contended that it has existing prior registrations for the HOME DEPOT mark, dating back to 22 August 1995 and 31 December 2005, much earlier than the Appellee's registration for "THE HOME DEPOT W/ DEVICE" issued only on 14 April 2008, which was the subject of a cancellation case. It argued that under Section 147.1 of the IP Code, the likelihood of confusion shall be presumed when the competing marks are identical, and the goods or services on which they are used are also the same.

The Appellant also claimed that its mark is an internationally well-known mark, which enjoys protection from unauthorized use whether or not it is registered in the Philippines. It cited it's not less than eighty-five (85) certificates of registration for the mark "THE HOME DEPOT" worldwide, as well as decisions issued by tribunals adjudging its mark as a well-known mark. Finally, the Appellant cited Section 123.1 of the IP Code, prohibiting the registration of a mark which is identical or confusingly similar with a prior registered mark belonging to a different proprietor, as basis for its opposition of the Appellee's trademark application.

This Office issued on 20 September 2013 an Order giving the Appellee thirty (30) days from receipt thereof to submit its comment on the appeal. Records show that the Appellee received a copy of such Order on 01 October 2013, but failed to file its comment. As such, the Appellee was considered to have waived its right to file comment on the Appeal, and pursuant to Section 8 of the Uniform Rules on Appeal, as amended, the instant case was deemed submitted for decision.

The main issue to be resolved in this appeal is whether the Director was correct in dismissing the Appellant's opposition to the Appellee's trademark application.

Under Sec. 134 of the IP Code, any person who believes that he would be damaged by the registration of a mark may, upon payment of the required fee and within thirty (30) days after the publication of the trademark application, file an opposition to the application. In the present case, the Appellant, as the opposer, must show that it would be damaged by the registration of "THE HOME DEPOT BY CW GROUP ALL UNDER ONE ROOF" in favor of the Appellee.


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The Appellant's and Appellee's marks are reproduced below for comparison:

Appellant Homer TLC, Inc.'s
Trademark Registration No. 61496
Issued on 22 August 1995:



Appellant Homer TLC, Inc.'s
Trademark Registration No. 4-2000-007770
Issued on 31 December 2005:

THE HOME DEPOT

"THE HOME DEPOT WITH AN INCLINER
TO THE RIGHT POSITION INSIDE A
SQUARE"

"THE HOME DEPOT"

Appellee CW Marketing & Dev't Corp.'s
Trademark Application No. 4-2010-011874
Filed on 02 November 2010:



"THE HOME DEPOT BY CW GROUP
ALL UNDER ONE ROOF"
(Subject of present Opposition)

A comparison of the above-cited marks shows that there is no confusing similarity between the mark being applied for by the Appellee, and the Appellant's prior registered marks. Although both marks adopt "The Home Depot" as an element thereof, the words "by CW group" and "All Under One Roof" sufficiently distinguishes the Appellee's mark being applied for, from the Appellant's prior registered marks. Together with the adoption of a roof design, the font and colors of the letters or words, and their configuration as presented in the subject application, we find that the Appellee's mark is sufficiently distinctive.

However, we do not find sufficient basis to find that the term "Home Depot" has become generic or descriptive in the Philippines, as found by the Director. The fact that there are existing trademark registrations for marks adopting the words "HOME" and "DEPOT" as an element thereof, would not readily mean that such words have become generic or descriptive. It is undisputed that the Appellant has an existing valid registration dating back to 1995 for the Home Depot device and wordmark. In fact, among the trademarks currently existing in the Trademark Registry containing the Home Depot element, it is the Appellant that has the earliest filing date on 24 September 1993, which matured into registration on 22 August 1995. An examination of the corresponding Certificates of Registration shows that in its 1995 registration for the "Home Depot with an Incliner to the Right Position Inside a





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Square", it disclaimed only the word "Home". It was not required to disclaim the word "Depot". In its 2005 registration for the word mark "THE HOME DEPOT", it was not required by the Bureau of Trademarks to disclaim any of the words. These facts show that at the time of the registration of the Appellant's foregoing marks, the words "HOME" and "DEPOT", when taken together, were not considered as being generic nor descriptive, and was therefore capable of being appropriated by the registrant.

Although as found by the Director, other registered trademarks containing the words "HOME DEPOT" exist in the Trademark Registry, albeit with a disclaimer of the words "HOME" and "DEPOT", it would appear that each cited registration contains a specific distinguishing element adopted together with the afore-cited words, as follows:

Registration	Registered Mark
1. "MC HOME DEPOT AND DEVICE" Application No. 42002003682 Applicant MC Home Depot, Inc. Class 35	
2. "EASY HOME DEPOT" Registration No. 42008001697 Registrant Puregold Price Club, Inc. Classes 35 & 36	EASY HOME DEPOT
3. "HOME DEPOT AND CLC DEVICE" Registration No. 24008008999 Registrant Central Lumber Corp. Class 35	
4. "HK SUN PLAZA HOME DEPOT and Lifestyle Center" Registration No. 42005005954 Registrant HK Investment Group, Inc. Class 35	
5. "BUDGET HOME DEPOT & DEVICE" Registration No. 42008012818 Registrant Vicente C. Tan Class 35	

As also pointed out by the Appellant, the online references cited in the subject Decision would not readily mean that the term has come to mean a common noun which is the common descriptive name of an article or substance, or the genus of which a particular product is a species. Neither is it descriptive, in a sense that it readily conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is. This Office also takes note of the direct attribution of some of such cited online references to the enterprise of the Appellant.

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With the finding that there is no confusing similarity between the prior registered marks of the Appellant and the Appellee's trademark being applied for, the latter should be given due course. On its face, the distinctive features of the contending marks are sufficient to warn the purchasing public on which are the Appellants' services, as distinguished from the Appellee's services. It has long been established that an accurate assessment of likelihood of confusion requires that the entire panoply of elements constituting the relevant factual landscape be comprehensively examined.² In this instance, the parties' respective marks are distinct from each other, to the extent that it is unlikely that Appellee's use of the mark "THE HOME DEPOT BY CW GROUP ALL UNDER ONE ROOF" would give rise to confusion, much less cause damage to the Appellants.³ An imitation to be considered objectionable must be such as appears likely to mislead the ordinary intelligent buyer who has a need to supply and is familiar with the article that he seeks to purchase.⁴ What the law prohibits is that one manufacturer labels his product in a manner strikingly identical with or similar to that of another manufacturer as to deceive or confuse the buying public into believing that the two preparations are one and come from the same source.⁵


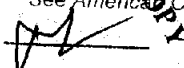
With the finding that the competing marks are not confusingly similar, there is no need to dwell on the Appellant's argument that its mark is a well-known mark. Under Section 123.1 (e) and (f) of the IP Code, the protection given to well-known marks applies only when the marks are confusingly similar, used on identical or similar goods or services, or if not similar, would indicate a connection between the parties and the goods or services, and where the owner of the well-known mark will be damaged. The evidence of the Appellant failed to establish that the Appellee's mark is confusingly similar to its "THE HOME DEPOT" marks. Neither was there any proof of connection or damage to the Appellant's marks arising from the Appellee's use of "THE HOME DEPOT BY CW GROUP ALL UNDER ONE ROOF".

WHEREFORE, premises considered, the appeal is hereby **DISMISSED**. Let a copy of this Decision and the records of this case be furnished and returned to the Director of Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this Decision for information, guidance, and records purposes.

SO ORDERED.

DEC 15 2014 Taguig City.


RICARDO R. BLANCAFLOR
Director General


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¹ See *Societe Des Produits Nestle, S.A., et al vs. CA, et al.*, G.R. No. 112012, 04 April 2001.
² See *Philippine Refining Co., Inc., vs. Ng Sam and the Director of Patents*, G. R. No. L-26676, 30 July 1982.
³ See *Dy Bunsio v. Tan Tiao Bok*, G. R. No. 16397, 03 October 1921.
⁴ See *American Cyanamid Company vs. Director of Patents, et al.*, G. R. No. L-23954, 29 April 1977.