



NIKE INTERNATIONAL LTD.,
Opposer,

-versus-

EDDIE SIA,
Respondent-Applicant.

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}
} IPC No. 14-2012-00296
} Opposition to:
} Appln No. 4-2012-003649
} Date filed: 22 March 2012
} TM: "MERCURIUS"
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}

NOTICE OF DECISION

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Makati City

EDDIE SIA
Respondent-Applicant
#15 San Antonio Street
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Quezon City

GREETINGS:

Please be informed that Decision No. 2014 - 315 dated December 15, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, December 15, 2014.

For the Director:

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



NIKE INTERNATIONAL LTD.,
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- versus -

EDDIE SIA,
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IPC No. 14-2012-00296
Opposition to:

Appln. No. 4-2012-003649
Date Filed: 22 March 2012
Trademark : "**MERCURIUS**"

Decision No. 2014 - 315

DECISION

NIKE INTERNATIONAL LTD., ("Opposer")¹ filed a verified opposition to Trademark Application Serial No. 4-2012-003649. The application, filed by EDDIE SIA ("Respondent-Applicant")², covers the mark "MERCURIUS" for use of goods under class 25³ namely: pants, jeans, slacks, shorts, short pants, cycling shorts, boxer shorts, skirts, t-shirts, shirts with collar, dresses, tank tops, jackets, sandals, undershirts, camisole, blouses, nighties, briefs, panties, socks, slippers, sandals, shoes, caps, hats & bonnets.

The Opposer alleges the following:

"8. The allowance for registration of the Respondent-Applicant's 'MERCURIUS' mark with the aforestated details, contravenes Section 123.1 (d), (e) and (f) of Republic Act No. 8293 ('R.A. No. 8293' or the 'IP Code').

"9. The mark 'MERCURIUS' is identical to and so resembles the Opposer's/Nike Group of Companies' 'MERCURIAL' mark, as when applied to or used in connection with the Respondent-Applicant's Class 25 goods, will likely deceive or cause confusion with Opposer's/Nike Group of Companies' goods bearing their 'MERCURIAL' mark.

"10. The use by Respondent-Applicant of the mark 'MERCURIUS' on goods that are similar, identical or closely related to the goods that are produced by, originate from, offered by, and/or are under the sponsorship of Opposer/Nike Group of Companies bearing the latter's 'MERCURIAL' mark, will greatly mislead the purchasing/consumer public into believing that Respondent-Applicant's goods are produced by, originate from, and/or are under the sponsorship of herein Opposer/Nike Group of Companies.

"11. Opposer/Nike Group of Companies have not abandoned the use of their 'MERCURIAL' mark in the Philippines and elsewhere around the world.

"12. Respondent-Applicant's misappropriation of the 'MERCURIUS' mark was done in bad faith and is meant to ride on the goodwill and worldwide popularity already gained by the Opposer's/Nike Group's 'MERCURIAL' mark.

¹ A company organized by virtue of the laws of Bermuda, with postal address at One Bowerman Drive, Beaverton, Oregon 97005-6453, U.S.A.

² A Filipino citizen with given address at #15 San Antonio St., San Francisco Del Monte, Quezon City.

³ 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.

"13. In support of this Opposition, Opposer shall prove and rely upon, among others, the following:

- (a) Opposer owns several registrations and applications to register its 'MERCURIAL' mark in a number of jurisdictions around the world.
- (b) Nike Group's total global net sales from 1997 up to the present are over \$ USD 1,570,307,000 for over 50,500,000 units of products.
- (c) In the Philippines alone, there has been total net sales of US \$695,851 for 30,428 units of products bearing the Nike Group's MERCURIAL mark since February 1998.
- (d) The Nike Group has spent a considerable sum in advertising the products sold under the 'MERCURIAL' mark.
- (e) Nike Group first used the MERCURIAL mark at least as early as 1997. Nike Group first used the MERCURIAL mark in the Philippines at least as early as 1998 and is currently using the mark. Compared to the Respondent-Applicant, the Nike Group had already commenced commercial use of the 'MERCURIAL' mark here in the Philippines.
- (f) As of July 20, 2012, Respondent-Applicant had made no commercial use of its 'MERCURIUS' mark."

The Opposer's evidence consists of the following:

1. Exhibit "A" - Philippine application of trademark MERCURIAL;
2. Exhibit "B" - Printout of online Trademarks Database showing registration of MERCURIAL trademark dated 26 July 2012;
3. Exhibit "C" - Registrations and applications of trademark MERCURIAL in various jurisdictions around the world;
4. Exhibit "D"- "K"- Certified copies of registrations from various countries;
5. Exhibit "L" - Copies of photographs of products and store displays in Philippines; and,
6. Exhibit "M" - Report showing that Respondent-Applicant had made no commercial use of its MERCURIUS mark.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 26 September 2012. Respondent-Applicant however, did not file an answer. Thus, in Order No. 2013-197 dated 30 January 2013, Respondent-Applicant is declared in default and this case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark MERCURIUS?

It is emphasized that 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 out into the market a superior 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.⁴

⁴ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).

Records show that at the time Respondent-Applicant filed its application for the trademark "MERCURIUS" on 22 March 2012, herein Opposer already has existing registrations for the trademark "MERCURIAL" in various foreign countries⁵ even before the former's application filing date. In the Philippines, while Opposer applied later and was issued certificate of registration on 26 July 2012,⁶ it constitutes a 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.⁷

The competing marks are reproduced below for comparison and scrutiny:

The word "MERCURIAL" is displayed in a bold, sans-serif font. The letters are white and set against a dark, rectangular background that has a slight gradient from left to right.

Opposer's Trademark

The word "MERCURIUS" is displayed in a bold, sans-serif font. The letters are white and set against a dark, rectangular background that has a slight gradient from left to right.

Respondent-Applicant's Trademark

The competing marks are similar in its visual and aural presentation, except for the last two letters consisting of "A" and "L" for the Opposer; and, "U" and "S" for the Respondent-Applicant. This slight difference cannot outweigh the similarities which are apparently confusing. Moreover, the Respondent-Applicant uses its mark on goods that are similar and/or closely related to Opposer's Class 25 and 28 goods.

Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.⁸ Colorable imitation does not mean such similitude as amount to identify, nor does it require that all details be literally copied. Colorable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark with that of the other mark or tradename in their over-all presentation or in their essential substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.⁹

Also, considering the similarity or relatedness of goods carried by the contending marks, the consumers will have the impression that these products originate from a single source or origin or they are associated with one another. The likelihood of confusion therefore, would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:¹⁰

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily 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

⁵ Exhibit "C" to "K" of Opposer

⁶ Exhibit "B" of Opposer.

⁷ Sec. 138, IP Code.

⁸ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 200, 356 SCRA 207, 217.

⁹ Converse Rubber Corporation v. Universal Rubber Products, Inc., et al., G.R. No. L-27906, 08 January 1987.

¹⁰ Id.

confusion of business. Hence, 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.

Sec. 123.1 (d) R.A. No. 8293, otherwise known as the Intellectual Property Code ("IP Code") provides:

A mark cannot be registered if it:

x x x

(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 public interest, therefore, requires that the 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 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.¹¹

In contrast, the Respondent-Applicant despite the opportunity given, failed to explain how it arrived at using the mark "MERCURIUS" as it failed to file a Verified Answer. The Opposer's mark "MERCURIAL" is unique and highly distinctive with respect to the goods it is attached with.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-003649 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, 15 December 2014.


Atty. **NATHANIEL S. AREVALO**
Director W, Bureau of Legal Affairs

¹¹ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.