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APPLE, INC., Opposer,

-versus-

IPC No. 14-2010-00212 Opposition to: Appln. Serial No. 4-2009-005423 Date filed: 02 June 2009 TM: "MY/PHONE"

SOLID BROADBAND CORPORATION, Respondent-Applicant.

# NOTICE OF DECISION

#### **QUISUMBING TORRES**

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### **MIGALLOS AND LUNA LAW OFFICE**

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## **GREETINGS**:

Please be informed that Decision No. 2015 - 103 dated May 19, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 19, 2015.

For the Director:

Atty. EDWIN DANILO A. DAT Director III. **Bureau of Legal Affairs** 

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE Intellectual Property Center, 28 Upper McKinley Road, McKinley Hill Town Center Fort Bonifacio, Taguig City 1634 Philippines T: +632-2386300 • F: +632-5539480 • www.ipophil.gov.ph



APPLE INC., Opposer,

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-versus-

SOLID BROADBAND CORPORATION, Respondent-Applicant. **JIPC NO. 14-2010-00212 Opposition to:** 

Appln. Ser. No. 4-2009-005423 Date Filed: 2 June 2009 Trademark: **MY**|**PHONE** 

Decision No. 2015- 03

## DECISION

APPLE INC., (Opposer)<sup>1</sup> filed an opposition to Trademark Application Serial No. 4-2009-005423. The application, filed by SOLID BROADBAND CORPORATION (Respondent-Applicant)<sup>2</sup>, covers the mark "my|phone", for use on "distribution and sales of mobile and cellular phones including chargers, headsets, micro SD cards, T-Flash cards, extra phone batteries and stylus pens" under Class 9 of the International Classification of Goods<sup>3</sup>.

The Opposer anchors its opposition on the ground that the registration of the mark "my/phone" is contrary to the provisions of Section 123.1 (d), (e) and (f) of Republic Act 8293, as amended, which prohibit the registration of a mark that:

- (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.

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark with which 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, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the public at large,

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<sup>&</sup>lt;sup>1</sup> A corporation duly organized and existing under the laws of the state of California with business address at 1 Infinite Loop, Cupertino California, United States of America

<sup>&</sup>lt;sup>2</sup> A corporation duly organized and existing under the laws of the Philippines with address at Solid House Building, 2285 Pasong Tamo Ext. Magallanes, Makati City

<sup>&</sup>lt;sup>3</sup> The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.

including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

(f) Is identical with or confusingly similar to, or constitutes a translation of a mark, considered well known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods and services which are not similar to those with respect to which registration is applied for: Provided, that the use of the mark in relation to the goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, that the interests of the owner of the registered mark are likely to be damaged by such use."

The Opposer also alleges that:

"2. The Opposer is the owner and first user of the world famous trademark IPHONE which it uses in connection with it uses in connection with its state of the art smartphone.

"3. The mark IPHONE and its related marks (hereafter the "IPHONE marks") have been registered and/or applied for registration with the Philippine Intellectual Property Office ("IPO") for mobile phones, computer and other electronic products in class 9, among others. xxx

"4. Respondent-Applicant's mark my/phone is confusingly similar to the Opposer's IPHONE marks as to be likely to deceive or cause confusion. This is plainly apparent from a simple comparison of the marks. The combination of the element "/", which looks like a slanted letter "I", with the word "PHONE" to form /phone in the Respondent-Applicant's mark my/phone makes it identical in terms of appearance with the Opposer's registered mark "IPHONE" as to be virtually indistinguishable.

Furthermore, Respondent-Applicant's my/phone, when enunciated as "mi-phone", sound almost exactly like the Opposer's mark IPHONE, pronounced as "I-phone" and thereafter liable to cause public confusion.

Hence, the registration of the Respondent-Applicant's mark will be contrary to Section 123.1 (d) of Republic Act No. 8293.xxx

"6. Opposer's mark IPHONE is well-known and world famous. Since its introduction, the mark IPHONE has immediately captured international acclaim and merged as one of the most recognized brands in the world. Hence, the registration of the Respondent-Applicant's mark my/phone will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Section 3, 123.1 (e), and 123.1 (f) of Republic Act No. 8293. "7. Opposer has used the IPHONE marks in the Philippines and elsewhere prior to the filing date of the application subject of this opposition. The Opposer continues to use the IPHONE marks in the Philippines and in numerous other countries.

"8. The Opposer has also extensively promoted the IPHONE marks worldwide. As such, the Opposer has obtained significant exposure for the goods upon which the IPHONE marks are used in various media, including television commercials, online advertisements, internationally well-known print publications, and other promotional events.

"9. Opposer has not consented to the Respondent-Applicant's use and registration of the trademark my/phone, or any other mark identical or similar to Opposer's IPHONE marks. xxx"

To support its opposition, the Opposer submitted as evidence the following:

- 1. Legalized and verified Notice of Opposition;
- 2. Notarized and authenticated Affidavit of Lisa G. Widup dated 17 September 2010;
- 3. Certified true copy of Trademark Registration No. 4-2007-000645 "IPHONE"dated 19 November 2007;
- 4. Certified true copy of Trademark Registration No. 4-2007-012461"WORKS WITH IPHONE AND IPHONE LOGO" dated 24 June 2010;
- 5. Certified true copy of application no. 4-2008-000072 for the mark "IPHONE WITH APPLE LOGO (BLACK) filed on 2 January 2008;
- 6. Original legalized Certificate signed by Kevin Saul dated 17 September 2010;
- 7. Print-out of Apple website, www.apple.com/iphone; and
- 8. Print-out of website of Globe Telecom.<sup>4</sup>

The Respondent-Applicant filed its Answer on 8 March 2011, alleging among other things, the following:

"2.2. Solid Broadband is a broadband service company that is envisioned to be the largest provider of multimedia services in the Philippines, bringing cutting edge multimedia technology right into the homes of the average Filipino. Solid Broadband intends to pursue its multimedia business by building a seamless nationwide broadband network using state-of-the-art digital technology, both wired and wireless, to serve the public's growing need for advanced information and communication services such as high speed data communications, cable television as well as telephone services.

<sup>&</sup>lt;sup>4</sup> Exhibits "A" to H" with submarkings

2.3. In 2007, Solid Broadband launched the first locally-branded mobile phones in the Philippines, the my|phone. It is the first dual active SIM mobile phone in the Philippines.

2.4. From the time the my|phone was introduced into the Philippine market, it has proven to be a definitive contender in the Philippine mobile phone landscape, consistently averaging significant sales figures. The overwhelming favorable response of the public to the my|phone products has pushed Solid Broadband to continue to strive to develop better phones at much affordable prices.

At present, my|phone is the first and only mobile phone with customized applications and content tagged as 'Pinoy Phone', a software exclusively created for my|phone with a gamut of data such as recipes, jokes, and even prayers.

"2.5. Solid Broadband adopted and used the mark my|phone to clearly identify its products. Solid Broadband first used the my|phone mark in the Philippines in 2007, since then has continuously used the said mark.

"2.6. On 25 June 2007, Solid Broadband attempted to register its 'my' and 'my|phone' trademarks relating to mobile and cellular phones and its related accessories under Class 9. However, due to lack of proper advise, Solid Broadband was unwittingly considered to have abandoned the same.

"2.7. On 18 June 2008, Solid Broadband applied for the registration of 'my' followed by a gray bar ('|') mark. The said mark was registered on 27 October 2008 under Classes 9, 38 and 42.

"2.8. The my|phone mobile phones and accessories are very popular in the Philippines and has established goodwill among ordinary cellular phone users.

"2.9. Solid Boradband has also used other types of advertising media such as cable and television commercials and merchandising materials to market and promote the my|phone products. Solidbroadband also engaged, and engages the services of celebrity endorsers to promote its my|phone products.

"2.10. From three (3) mobile phone products launched in 2007 bearing the my|phone mark, respondent-applicant currently markets and sells over forty (40) models of mobile phones under the my|phone mark.

XXX

3.1. This is a case of giant trying to claim more territory than what it is entitled to, to the great prejudice of a local 'Pinoy Phone' merchant who

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has managed to obtain a significant foothold in the mobile phone market through the marketing and sale of innovative products under a very distinctive trademark. xxx

3.2. There is absolutely no confusing similarity between the my|phone trademark of respondent-applicant and the IPHONE trademark of opposer.

a) If there is any similarity between the marks of the parties, it is the presence of the word 'phone' in them. However, it must be stressed that the word 'phone' is a generic term that is not subject to exclusive appropriation.

b) The other components of the competing trademarks, i.e. 'my/' and 'i' are worlds apart and very distinctive from each other. No one, whether or not an ordinary purchaser, can mistake one with the other.xxx"

To support its Answer, the Respondent-Applicant submitted as evidence the following:

- 1. Affidavit of Beda Manalac dated 8 March 2011;
- 2. Print-outs from website of my|phone, http://myphone.com.ph;
- 3. Certified copies of Application No. 4-2007-006532 for the mark "MY" filed on 25 June 2007;
- 4. Certified copies of Application No. 4-2007-006534 for the mark "my|phone" filed on 25 June 2007;
- 5. Certified copies of Registrability Reports and Notice of Abandonment;
- 6. Certified true copy of Registration No. 4-2008-007200 dated 27 October 2008 for the mark "an orange 'MY' followed by a gray bar '|''';
- Original photographs of Solid Broadband's mobile phones bearing "my|phone";
- Original photographs of Solid Broadband's kiosks selling "my|phone" mobile phones;
- Original advertising materials/promotional campaigns for the "my|phone" mobile phones;
- 10. Original newspaper advertisements of the "my|phone" products;
- 11. Scanned copies of advertising and promotional materials, featuring Anne Curtis and Sarah Geronimo; and
- 12. Scanned copies of newspaper articles, articles in magazines with features and events launching for "my|phone" mobile phones.<sup>5</sup>

The Preliminary Conference was held on 4 July 2011 where both parties were directed to file their respective position papers. Both parties submitted his position paper on 14 July 2011.

<sup>&</sup>lt;sup>5</sup> Exhibits "1" to "19" inclusive of submarkings

Should the Respondent-Applicant be allowed to register the trademark "MY|PHONE"?

Records show that at the time Respondent-Applicant applied for registration of the mark "my|phone" the Opposer already registered the mark IPHONE under Registration No. 4-2007-000645 dated 19 November 2007. The goods covered by the Opposer's trademark registration are also under Class 9, same as indicated in the Respondent-Applicant's trademark application.

The question is: Are the competing marks identical or closely resembling each other such that confusion or mistake is likely to occur?

The competing marks are reproduced below:

**IPHONE** 

**Opposer's** mark

Respondent-Applicant's mark

my/phone

While the marks are similar with respect to the word ("PHONE"), it is not sufficient to conclude that confusion among the consumers is likely to occur. "PHONE" is a generic term for the products mobile phones. In Societe Des Produits Nestle v. Court of Appeals and CFC Corporation<sup>6</sup>, the Supreme Court elaborates on the definition of generic and descriptive terms, to wit:

Generic terms are those which constitute "the common descriptive name of an article or substance," or comprise the "genus of which the particular product is a species," or are "commonly used as the name or description of a kind of goods," or "imply reference to every member of a genus and the exclusion of individuating characters," or "refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product," and are not legally protectable. On the other hand, a term is descriptive and therefore invalid as a trademark if, as understood in its normal and natural sense, it "forthwith conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is," or "if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods," or if it clearly denotes what goods or services are provided in such a way that the consumer does not have to exercise powers of perception or imagination.

Clearly, the word "phone" conveys the nature of the parties products and one cannot gain exclusive right to appropriate such term given that their products are mobile phones. The subject of scrutiny would have to be confined to the words "I" in the Opposer's mark as against the word "MY" in respect of the Respondent-Applicant's. To

<sup>6</sup> G.R. No. 112012, 4 April 2001

<sup>&</sup>lt;sup>7</sup> http://www.merriam-webster.com/dictionary/my

the eyes, there is striking difference between the words "I" and "MY". There is resemblance as to the sound produced when pronouncing "I" and "MY". However, they are still distinct, one being pronounced with a pure vowel sound, while the other is a combination of two consonants. "MY"<sup>7</sup> is obviously an adjective which connotes "relating to or belonging to me". "I", however, in "IPHONE" does not immediately convey similar concept. As seen from its website, the Opposer's "I" or "i" as part of the name of its different products, i.e. "iPOD", "iPAD" is unique, the meaning of which is left to the imagination of the observer.

The Opposer also alleges that its mark is well-known and famous. Having said that, compared to the Respondent-Applicant's mark "my|phone" marketed as "local Pinoy phone", there is still no likelihood of confusion of business. It is improbable for one who is buying or using "my|phone" products to be reminded of the mark "IPHONE". The buying public should be credited with a modicum of intelligence and discernment in purchasing articles, such as gadgets and mobile phones. Mobile phones are such kind of consumer goods where brand patronage or consciousness is concededly prevalent. Corollarily, the fame and popularity of IPhones in fact makes it improbable for one to confuse "my|phone" product as an IPHONE. The Opposer has continuously use "I" or "i" in its products and one who is confronted with the "my" as in "my|phone" is unlikely to believe or conclude that it is connected with the Opposer. Also relevant is the distinct commercial impressions generated by the marks upon the products when seen in the actual market place, as shown in the pictures<sup>8</sup> below:



Opposer's webpage

<sup>8</sup> Exhibit "G"; Exhibit "12"

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Respondent-Applicant's advertisement

In Emerald Garment Manufacturing Corporation v. Court of Appeals<sup>9</sup>, the Supreme Court held:

Finally, in line with the foregoing discussions, more credit should be given to the "ordinary purchaser." Cast in this particular controversy, the ordinary purchaser is not the "completely unwary consumer" but is the "ordinarily intelligent buyer" considering the type of product involved.

The definition laid down in *Dy Buncio v. Tan Tiao Bok*<sup>35</sup> is better suited to the present case. There, the "ordinary purchaser" was defined as one "accustomed to buy, and therefore to some extent familiar with, the goods in question. The test of fraudulent simulation is to be found in the likelihood of the deception of some persons in some measure acquainted with an established design and desirous of purchasing the commodity with which that design has been associated. The test is not found in the deception, or the possibility of deception, of the person who knows nothing about the design which has been counterfeited, and who must be indifferent between that and the other. The simulation, in order to be 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."

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2009-005423 is hereby **DISMISSED**. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.** Taguig City, 19 May 2015.

Atty. NATHANIEL S. AREVALO Director IV **Bureau of Legal Affairs** 

<sup>9</sup> G.R. 100098, 29 December 1995