



ELITE LICENSING COMPANY S.A.,
Opposer,

-versus-

EVER BILENA COSMETICS, INC.,
Respondent-Applicant

} **IPC No. 14-2010-00094**
}
} Opposition to:
} Appln Serial No. 4-2009-010464
} Date Filed: 14 October 2009
} **TM: "BLACKWATER ELITE"**
}
}
}
}
}
}

x-----x

NOTICE OF DECISION

CESAR C. CRUZ AND PARTNERS
Counsel for the Opposer
3001 Ayala Life-FGU Center
6811 Ayala Avenue, Makati City

**ORTEGA DEL CASTILLO BACORRO
ODULIO CALMA & CARBONELL**
Counsel for the Opposer
ALPAP I Building, 5th & 6th Floors
140 L.P. Leviste St., Salcedo Village
Makati City

LUMANIOG & ASSOCIATES
Counsel for the Respondent-Applicant
Room 204 Megastate Building
737 Araneta Avenue, Quezon City

GREETINGS:

Please be informed that Decision No. 2015 - 74 dated May 07, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 07, 2015.

For the Director:

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



ELITE LICENSING COMPANY, S.A., }
 Opposer, }
 }
 -versus- }
 }
 EVER BILENA COSMETICS, INC., }
 Respondent-Applicant. }
 x-----x

IPC No. 14-2010-00094
 Opposition to:
 Appln.No. 4-2009-010464
 Date Filed: 14 October 2009
 Trademark: "BLACKWATER
 ELITE"
 Decision No. 2015 - 74

DECISION

ELITE LICENSING COMPANY, S.A. ("Opposer")¹ filed an opposition to Trademark Application Serial No. 4-2009-010464. The application, filed by EVER BILENA COSMETICS INC. ("Respondent-Applicant")² covers the mark "BLACKWATER ELITE" for use on goods under class 03³ namely: fragrances.

The Opposer anchors its opposition on the provision of Section 123.1 (d) of R.A. 8293 otherwise known as the Intellectual Property Code ("IP Code"). It claims the trademark BLACKWATER ELITE (stylized) cannot be registered because it "nearly resembles such a mark as to be likely to deceive or cause confusion."⁴ It also raises Section 123.1 (e) which disallows marks which are "identical with, or confusingly similar to, or constitutes a translation of a mark 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 xxx." Opposer alleged the following facts to support its position:

"1. Opposer together with its associated companies (hereinafter collectively referred to as "Elite"), is the world's leading name in the business of model management. Elite, as a modeling agency, was founded in Paris, France, almost forty (40) years ago. xxx

"3. Elite distributes a wide range of licensed products, including make-up, clothing and accessories, skincare products, and perfumes, aimed at a young and broad public. It has more than thirty (30) Elite products licensees in 50 countries.xxx

"4. Elite has registered the trademark ELITE (Stylized) in the Philippines, under Certificate of Registration No. 4-2007-007994 issued on 11 November 2007 and valid until 11 November 2017 for various goods in class 35, including "retail sale services of cosmetic products, beauty care products, perfumes." xxx

"7.1 Products under the ELITE (Stylized) trademark have been distributed through Rustan Commercial Corporation at its branches in the Philippines.

"7.2 Said products may also be purchased online at the ELITE E Boutique. xxx"

¹ A corporation duly organized under and by virtue of the laws of Switzerland having its principal place of Business at 15 Route de Arsenaux, 1700 Fribourg, Switzerland.
² With address at No. 289 Reparo Road, Sta. Quiteria, Caloocan City, Philippines.
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.
⁴ Intellectual Property Code, §123.1.

The Opposer submitted the following evidence marked as Exhibits "A-1" to "A-10."

1. Trademark Application No. 4-2009-010469 for "BLACKWATER ELITE";
2. International Registrations of the "ELITE" mark in other jurisdictions;
3. French Trademark Registration No. 1.057.269 issued on 25 September 1978;
4. French Trademark Registration No. 1.662.492 currently protects said mark;
5. "Elite" Certificat D'Enregistrement under Madrid Protocol Translation;
6. Original "Elite Model Management" International Registration under Madrid Protocol;
7. English Translated "Elite Model Management" International Registration under Madrid Protocol;
8. "Elite Model Management" Certificate de Renouvellement under Madrid Protocol;
9. Certificate of Registration in China of "ELITE";
10. Certificate of Registration in China of "ELITE";
11. Chinese Registration details of "ELITE";
12. Elite Model Management, et al. v. Mart Peeters, Case No. D2007-1179;
13. Elite Licensing Company, S.A., et al. v. Elite Ltd., Case No. DCC2007-0004;
14. Elite Licensing Company, S.A., et al. v. Mathias Baumgartner, Case No. D2007-1334;
15. Sales Receipt of "ELITE" perfumes to Rustan's Commercial Corporation;
16. Elite Perfume Brochure;
17. Miss Elite Retail Price List; and,
18. "Elite World" Digital Magazine.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer received on 28 May 2010. Respondent-Applicant filed its Verified Answer on 28 June 2010.

In its Answer, Respondent-Applicant raises the defense that the word "elite" was merely a word added to its main brand "blackwater" to identify it as a variant of a brand already being sold in the market. It developed and marketed the Blackwater brand "[s]ometime in January 2008" for men's skincare and toiletries, including perfumes. The mark "BLACKWATER" was issued under Registration No. 4-2008-001568 on 16 March 2009.

The Respondent-Applicant submitted the following evidence marked as Exhibits "1" to "3."

1. Certificate of Registration for "BLACKWATER" 4-2008-001568;
2. Ever Bilena 2010 Calendar pages, featuring Blackwater products;
3. Manila Bulletin May 18, 2010 advertising poster for Blackwater Elite;
4. The Buzz Magazine feature on Blackwater;
5. Manila Bulletin June 6, 2010 advertising poster for Blackwater Elite;
6. Manila Bulletin May 23, 2010 article featuring Blackwater products;
7. Manila Bulletin June 2, 2010 article featuring Blackwater products;
8. Philippine Star June 16, 2010 advertising Poster for Blackwater Elite;
9. Manila Bulletin June 20, 2010 article featuring Blackwater Elite;
10. Manila Bulletin June 20, 2010 advertising poster for Blackwater Elite;
11. Bulgar May 19, 2010 advertising poster for all Blackwater products;
12. Philippine Star May 19, 2010 advertising poster for all Blackwater products; and,
13. Affidavit of Mark Salecina, Brand Manager of EBCI.

Opposer then filed a Reply on 12 July 2010 insisting on the use of the Dominancy Test in determining the similarity of the two marks, as well as defending its capacity to sue in the Philippines.

Respondent-Applicant filed a Rejoinder on 26 July 2010, citing the cases of *Emerald Garment Manufacturing Corporation v. Court of Appeals*⁵ and *Del Monte Corporation v. Court of Appeals*⁶ to support its contention that there is no likelihood of confusion between the two marks. It further expounded on the Holistic Test, citing the difference between the physical appearance of the bottles of the products, the difference between the target market of such products, and the difference between the pricing of both products. It further included search results from the IPO database, and showed other marks that also contain the word "elite," which are used by companies in order to distinguish a variant of products within its brand. Most prominently, Respondent Applicant offered in evidence a bottle each of the two perfumes in question, labeled Exhibit "5" and Exhibit "6."

This instant case is submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark BLACKWATER ELITE?

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.⁷

The instant case is anchored on the ground that the trademark application is contrary to the provision of Sec. 123.1 (d) R.A. No. 8293, otherwise known as the Intellectual Property Code ("IP Code"):

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 records and evidence show that at the time the Respondent-Applicant filed its trademark application on 14 October 2009, the Opposer already had the mark "ELITE" registered under Registration No. 4-2007-007994 issued on 11 November 2007.

⁵ 251 SCRA 600 (1995).

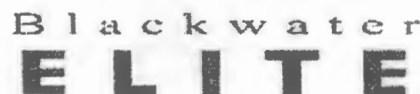
⁶ 181 SCRA 410 (1990).

⁷ *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).

The competing marks are reproduced below for comparison and scrutiny:



Opposer's Trademark



Respondent-Applicant's Trademark

The contending marks contain the word "ELITE". While the Opposer trademark "ELITE" is presented in a different font and style as compared to Respondent-Applicant's two-word trademark "BLACKWATER ELITE", it appears that the word "ELITE" in the latter is highlighted and more apparent than the word "BLACKWATER". Moreover, the contending marks cover goods that are similar and/or related to each other. Opposer's "ELITE" covers retail sale services of cosmetic products, beauty care products and perfumes; whereas, Respondent-Applicant's "BLACKWATER ELITE" covers fragrances.

It is observed that the mark "BLACKWATER ELITE" which the Respondent-Applicant seeks to register has no other device or feature that would distinguish it from the Opposer's mark "ELITE". It is likely that the consumers will have the impression that these goods or products originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:⁸

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 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.

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.⁹

⁸ Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.
⁹ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.

The intellectual 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 Opposition to Trademark Application No. 4-2009-010464 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, 07 May 2015.


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