



**BURLINGTON INDUSTRIES,
PHILIPPINES, INC.,**
Opposer,

-versus-

**PUMA AKTIENGESELLSCHAFT
RUDOLF DASSLER SPORT,**
Respondent-Applicant.

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IPC No. 14-2011-00105
Opposition to:
Appln. Serial No. 4-2009-002957
Date Filed: 20 March 2009
**TM: "D WITH JUMPING
CAT DEVICE"**

X-----X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 197 dated September 18, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 18, 2015.

For the Director:


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



BURLINGTON INDUSTRIES	}	IPC No. 14-2011-00105
PHILIPPINES, INC.,	}	Opposition to:
Opposer,	}	
	}	Application No. 4-2009-002957
-versus-	}	Date Filed: 20 March 2009
PUMA AKTIENGESELLSCHAFT	}	
RUDOLF DASSLER SPORT,	}	Trademark: D WITH JUMPING
Respondent-Applicant.	}	CAT DEVICE
x-----x		Decision No. 2015 - <u>197</u>

DECISION

BURLINGTON INDUSTRIES PHILIPPINES, INC.¹ ("Opposer") filed an Opposition to Trademark Application Serial No. 4-2009-002957. The contested application, filed by PUMA AKTIENGESELLSCHAFT RUDOLF DASSLER SPORT² ("Respondent-Applicant"), cover the mark D WITH JUMPING CAT DEVICE for use on *"leather and imitations of leather and goods made of leather or of leather imitations, namely: bags, pouches duffel bags, backpacks and other cases not adapted to the product they are intended to contain as well as small articles of leather, namely purses, pocket wallets, key cases; carrying bags; travelling bags, sports bags and sports pouches, rucksacks, school bags, hip bags, toilet bags; trunks and travelling bags; umbrellas, parasols and walking sticks"* under Class 18 and *"clothing, namely sport and leisure suits, training suits, warm up suits, all weather suits, rainwear, pullovers, jerseys, jackets, sweatshirts, shorts, shirts, pants, t-shirts, tops, skirts, socks, wristbands, athletic uniforms, blousons, tutlenecks, camisoles, seaters, cardigans, wraps, cover ups, coats, dresses, blouses, underwear, tank tops, trousers, tights, bathing suits, neckerchiefs, scarves, belts, footwear, namely sport and leisure shoes, headgear, namely berets, earmuffs, hats, caps, sun visors, toques, hoods, headbands"* under Class 25 of the International Classification of goods³.

The Opposer anchors its opposition on the following grounds:

"Respondent-Applicant's mark cannot be registered because it infringes on Opposer's Trademark Registration No. SR-2796 for PUMA LABEL DESIGN which includes the image of a jumping cat.

"A. Respondent-Applicant's mark D WITH JUMPING CAT DEVICE is confusingly similar to Opposer's PUMA LABEL DESIGN which includes the image of a jumping cat.

"B. Respondent-Applicant's use of the mark D WITH JUMPING CAT DEVICE on socks and related goods is likely to cause confusion or mistake or deceive purchasers as to the source or origin of those goods."

- 1 A domestic corporation duly organized and existing under the laws of the Philippines with office address at 7375 Bakawan Street, San Antonio, Makati City, Philippines.
- 2 A foreign corporation, with address at Wuerzburger Strasse 13, D-91074 Herzogenaurach, Germany.
- 3 Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

The Opposer alleges:

"3.1. Opposer, formerly known as MIL-ORO Manufacturing Corporation, is a domestic manufacturer of high quality socks. With over four decades of solid track record in the hosiery industry, Opposer has come to be known as the socks authority in the Philippines. Opposer is a success story of Filipino entrepreneurship. x x x

"3.2. On 30 March 1977, Opposer's application for PUMA Label Design which includes the image of a jumping cat was registered under Philippine Trademark Registration No. SR-2796 for sport socks and belts under Class 25. x x x

"3.3. For more than forty (40) years, Opposer has enjoyed continuous and exclusive use of PUMA Label Design which includes the image of a jumping cat for socks in the Philippines. Locally, Opposer enjoys wide patronage and distributes its goods through institutional retailers such as the SM Group, Robinson's Group and other distributors nationwide. x x x

"3.4. Section 123.1 (d) of the IP Code provides that a mark cannot be registered if it: x x x

"3.5. In relation of Section 123 (d), Section 155 of the IP Code defines infringement as follows: x x x

"3.6. Corollary to the foregoing provisions, the Supreme Court in *Philip Morris v. Fortune Tobacco Corp.*, citing the case of *Mighty Corporation v. E & J Gallo Winery*, stated that the following constitute the elements of trademark infringement: x x x

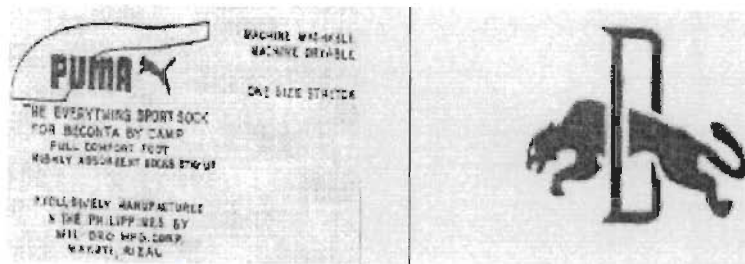
"3.7. In this case, all the elements of trademark infringement, as culled from Sections 123.1 (d) and 155 of the IP Code and as laid down in *Philip Morris* and *Mighty Corporation*, are indubitably present.

"A. Respondent-Applicant's mark D WITH JUMPING CAT DEVICE is confusingly similar to Opposer's Trademark Registration No. SR-2796 for PUMA Label Design which includes the image of a jumping cat.

"3.8. Respondent-Applicant's application for the registration of the mark D WITH JUMPING CAT DEVICE should be denied because the said mark is confusingly similar to Opposer's PUMA Label Design which includes the image of a jumping cat. In determining the likelihood of confusion, the following factors must be considered: [a] the resemblance between the marks; [b] the similarity of the goods to which the trademarks are attached; [c] the likely effect on the purchaser; and [d] the registrant's express or implied consent and other fair and equitable considerations.

"3.9. All the considerations for a finding of a likelihood of confusion are present in the instant case.

"3.9.1. The visual resemblance between Opposer's mark D WITH JUMPING CAT DEVICE and Respondent-Applicant's PUMA Label Design which includes the image of a jumping cat is unmistakable. A simple examination of the marks reveals that the dominant feature of both marks is a jumping cat figure which has become associated with Opposer's socks:



Opposer's Mark

Respondent-Applicant's Mark

"3.9.2. Both marks bear the image of a jumping cat. Once Respondent-Applicant uses the mark on socks, confusion as to the goods and/or sources of the goods is highly likely to occur. The other goods covered by the Respondent-Applicant's application, such as wallets, bags, clothing and footwear all fall under Class 25 and are closely related to the Opposer's socks and flow through the same channels of commerce. All the said goods, together with socks, are likely to be found at the same areas in a department store. Further, the target consumers are similar. The confusing similarity between the two marks and the close relation between the goods on which they are used would likely cause consumers to draw a connection between the goods and/or sources or origin of the goods.

"3.9.3. As the registered owner of the mark PUMA Label Design which includes the image of a jumping cat, the Opposer has not given consent to Respondent-Applicant for the latter's use of the mark D WITH JUMPING CAT DEVICE.

"3.9.3.1. In fact, Respondent-Applicant has already acknowledged in the past that it is Opposer who owns the PUMA label design which includes the image of a jumping cat in connection with its products, i.e., socks. In 2008, Respondent-Applicant agreed to exclude "hosiery, socks and stockings" from the coverage of its Trademark Application

No. 4-2004-004400 for PUMA AND JUMPING CAT DEVICE,
after Opposer demanded for its exclusion. x x x

"3.9.3.2. In an even earlier opposition case between Opposer and Puma AG regarding the latter's Trademark Application No. 116888 for the mark PUMA CELL & DEVICE, Puma AG similarly agreed to exclude "socks and belts" from the coverage of its trademark application. Hence, Opposer and Puma AG filed a Joint Motion to Dismiss after Puma AG filed a petition for correction of coverage of goods.
x x x

"3.10. The foregoing circumstances prove that Respondent-Applicant has already recognized that it is Opposer that is entitled to the exclusive use of the PUMA label design which includes the image of a jumping cat in connection with its products, i.e., socks. Respondent-Applicant is therefore in estoppel and cannot now claim that it is entitled to the registration of mark that includes the image of a jumping cat, especially since it shall also be used on socks, in direct competition with herein Opposer's own products. Thus, Respondent-Applicant's Trademark Application No. 4-2009-002957 should therefore be denied registration.

"B. Respondent-Applicant's use of the mark D WITH JUMPING CAT DEVICE on socks and related goods is likely to cause confusion or mistake or deceive purchasers as to the source or origin of those goods.

"3.11. Section 138 of the IP Code embodies the principle that protection of registered trademarks extends not only to use of the mark on goods or services specified in the certificate of registration, but likewise to goods and services related thereto. x x x

"3.12. In this case, Respondent-Applicant seeks to use the mark D WITH JUMPING CAT DEVICE on socks and related goods such as leather goods and bags in Class 18 and clothing, headgear and footwear in Class 25. Considering that Opposer's PUMA label design which includes the image of a jumping cat is associated with socks, to allow Respondent-Applicant to use the confusingly similar mark D WITH JUMPING CAT DEVICE also on socks and clothing, headgear and footwear, will undoubtedly lead to confusion that they come from the same source. The public will necessarily make a link, association or affiliation between Opposer and Respondent-Applicant, when there is none.

"3.13. Thus, the Honorable Bureau must sustain the instant opposition and deny Respondent-Applicant's application for the registration of the mark D WITH JUMPING CAT DEVICE.

"3.14. Since Opposer has already been using its PUMA label design

which includes the image of jumping at for socks, it is clear that it has a legitimate interest to exclude third parties from using the confusingly similar mark D WITH JUMPING CAT DEVICE on identical and related goods. Respondent-Applicant's mark should therefore be denied registration, otherwise, Opposer would be unfairly prevented from enjoying exclusive use of PUMA label design which includes the image of a jumping cat on socks.

"3.15. With constant use, Opposer's PUMA label design which includes the image of a jumping cat as used on socks acquired popularity and a following in the Philippines. The said brand has given consumers an index or guarantee of quality. Hence, Opposer's PUMA label design which includes the image of a jumping cat has become an important instrumentality of Opposer's business reputation. It does not merely identify Opposer's goods; it also indicates the goods to be of satisfactory quality, and thereby stimulate further purchases by the consuming public. It has come to symbolize the goodwill and business reputation of Opposer and of its products and now a property right protected by law.

"3.16. Respondent-Applicant must therefore be prevented from adopting the confusingly similar mark D WITH JUMPING CAT DEVICE on identical and related goods in Classes 18 and 25, especially socks."

The Opposer's evidence consists of the following:

1. Copy of the relevant page of the e-Gazette with release date of 22 November 2010;
2. Certified true copy of the Amended Articles of Incorporation of Opposer;
3. Certified true copy of Certificate of Renewal of Registration No. SR-2796;
4. Representative sales invoices issued to some local retailers;
5. Original of the demand letter dated 28 March 2008 sent to A. Q. Ancheta & Partners;
6. Original of the Joint Manifestation dated 13 May 2008 signed by herein Opposer and Respondent-Applicant; and
7. Original of the Joint Motion to Dismiss covering the Trademark Application No. 116888 for the mark PUMA CELL & DEVICE.⁴

The Respondent-Applicant filed its Answer on 20 July 2011, setting forth the following special and affirmative defenses:

"7. Opposer has no legal cause of action against the Respondent-Applicant;

"8. The ownership of the mark D WITH JUMPING CAT DEVICE as used by the Respondent-Applicant on its products in classes 18 and 25 is already vested in its favor since the latter has also registered and used the same mark in various jurisdictions around the world. x x x

⁴ Marked as Exhibits "A" to "G".

"9. Respondent's mark D WITH JUMPING CAT DEVICE in class vis-a-vis the Opposer's mark PUMA LABEL DESIGN for sports socks and belts in class 25 is not confusingly similar with the Opposer's mark considering that the said marks are distinctly different from each other as shown in par. 3.9.1 of the Verified Notice of Opposition. Both marks come in totally different forms. x x x The fact that there are similarities between the Opposer's mark and the Respondent-Applicant's mark does not by itself, make them confusingly similar, where there are substantial differences in their design and general appearance like the stylized letter D of the Respondent-Applicant's mark which is absent in the Opposer's mark. Besides, the image of the jumping cat passing thru the stylized letter "D" is not also found in the Opposer's mark PUMA LAEL DESIGN, thus adding to the dissimilarities of the two marks.

"10. The claim of the Opposer that the PUMA DESIGN which it appropriated in SR-2796 has been considered the mark of the Respondent-Applicant in a resolution of the third division of the Supreme Court dated May 2, 1988 in G. R. No. 75067 entitled "Puma Aktiengesellschaft Rudolf Dassler KG v. Mil-Oro Manufacturing Corp." x x x

"11. Considering that the Opposer's Certificate of Registration No. SR-2796 is just a registration in the Supplemental Register under the old Trademark Law (R. A. 166 as amended), the same is just an evidence of use and not as evidence of its ownership and could not be used by the Opposer to claim for trademark infringement against the Respondent-Applicant.

"12. Further, no less than the Intellectual Property Office through the Bureau of Trademarks affirmed the registrability of the Respondent-Applicant's mark D WITH JUMPING CAT DEVICE when the subject application was allowed after it had undergone merit examination."

Attached to the Respondent-Applicant's Answer is a copy of the list of worldwide registrations of its mark D WITH JUMPING CAT DEVICE (*Exhibit "1"*); copy of the resolution of the third division of the Supreme Court dated 02 May 1988 in G. R. No. 75067 (*Exhibit "2"*); original notarized Affidavit of Jochen Lederhilger and Michael Lammermann (*Exhibit "3"*); and original notarized Special Power of Attorney issued in favor of A. Q. Ancheta & Partners (*Exhibit "4"*).

Subsequently, this Bureau issued Order No. 2011-226 dated 27 July 2011 referring the case for mediation conference and suspending the adjudication proceedings. The mediation, however, failed. With the termination of the mediation proceedings, the Opposer then filed its Reply *Ad Cautelam* refuting the allegations in the Respondent-Applicant's Answer, to wit:

"I. Respondent-Applicant's Answer is unverified since Atty. Enrique S. Madarang has not sufficiently proven the basis of his authority to execute the Verification and Certification of Non-Forum Shopping. Hence, the

Answer should be deemed unfiled and Respondent-Applicant be declared as having waived its right to file the same.

A. Messrs. Jochen Lederhilger and Michael Lammermann have not proved their authority to appoint A. Q. Ancheta & Partners and/or any of its members, including Atty. Madarang, as Respondent-Applicant's attorney to execute the Verification and Certification of Non-Forum Shopping.

B. The Special Power of Attorney attached to the Answer is not authenticated. Thus, it is a mere scrap of paper having no legal effect.

C. Since Atty. Madarang has no authority to sign the Verification and Certification of Non-Forum Shopping, Respondent-Applicant's Answer is deemed unverified and should be treated as a mere scrap of paper.

"II. Nevertheless, contrary to Respondent-Applicant's claim, the mark being opposed is confusingly similar with Opposer's registered mark for PUMA Label Design which includes the image of a jumping cat, and should therefore not be registered.

"III. Opposer is the prior user and the owner of the Jumping Cat Device and has every right to exclude colorable imitations thereof from reaching the public.

"IV. Contrary to its position in its Reply, Respondent-Applicant has consistently acknowledged Opposer's ownership of the mark PUMA Label Design in the past.

"V. Respondent-Applicant failed to prove that it is the owner of the mark being opposed by virtue of its alleged worldwide registrations.

"VI. The affidavit executed by Messrs. Jochen Lederhilger and Michael Lammermann is inadmissible in evidence for lack of authentication. Thus, it cannot be used to support the allegations in the Answer."

The Opposer attached to the Reply a copy of the decision⁵ issued by the Supreme Court on 19 July 1990 entitled *Puma Sportschuhfabriken Rudolf Dassler, K. G. v. Job B. Madayag*.

The preliminary conference was set and terminated on 13 February 2012. After which, the parties submitted their respective position papers.

Sections 9 and 12.2 of Office Order No. 79, series of 2005, as amended, the rules governing this opposition case, explicitly provides for the requirement of verifying the petition or opposition and answer, to wit:

5 Marked as Exhibit "H".

"9. *Petition or Opposition and Answer must be verified* – Subject to Rules 7 and 8 of these regulations, the petition or opposition and the answer must be verified. Otherwise, the same shall not be considered as having been filed.

x x x

"12.2. Affidavits of witnesses shall be allowed and admitted as evidence provided that for non-residents of the Philippines, it is duly authenticated by the concerned Philippine consular or diplomatic office, and for local residents, duly notarized. x x x"

In the instant case, the Answer filed by the Respondent-Applicant was verified by its counsel by virtue of the Special Power of Attorney executed by Jochen Lederhilger and Michael Lammermann. However, the Special Power of Attorney issued to A. Q. ANCHETA & PARTNERS and/or any of its members as proof of their authority to sign the Verification and Certification portion of the Answer, was not duly authenticated by the concerned Philippine consular office.

Thus, the Special Power of Attorney executed abroad by Jochen Lederhilger and Michael Lammermann in favor of A. Q. ANCHETA & PARTNERS cannot be allowed and admitted as proof of the latter's authority to sign the Verification and Certification on behalf of the Respondent-Applicant. The Answer, therefore, filed by the Respondent-Applicant was not duly verified and shall be considered as not having been filed in accordance with Section 9 of Office Order No. 79, as amended.

But even if the Answer is compliant with the verification and certification requirement, the opposition should still be sustained.

Sec. 123.1 (d) of R. A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), relied upon by the Opposer, provides that a mark cannot be registered if it:

(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; x x x

In this regard, the records and evidence show that at the time the Respondent-Applicant filed its trademark application on 20 March 2009, the Opposer has long been issued a Certificate of Registration (No. SR-2796) for the mark PUMA label design way back 30 March 1977 for "*sport socks and belts*" under Class 25. This good is related with Respondent-Applicant's socks falling also under Class 25.

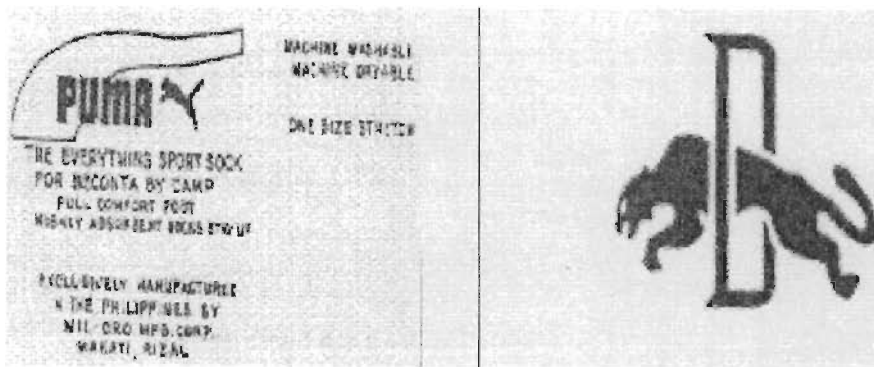
The Respondent-Applicant raised the issue of ownership over the mark D WITH

JUMPING CAT DEVICE for classes 18 and 25. However, this issue has already been resolved. In *Puma Sportschufabriken Rudolf Dassler, K. G. v. Madayag*⁶, the Supreme Court held:

"On September 7, 1988, this Court through its Second Division, decided G.R. No. 75562-63 on the Inter Partes cases in favor of Mil-Oro, thus affirming the July 30, 1986 decision of Court of Appeals and the earlier decision of the Bureau of Patents which declared Mil-Oro prior and actual user and, therefore, owner of the trademark "Puma and Device." The appeal of Puma to the Court of Appeals was found to have been filed late. According to the appellate court, there were also significant omissions in the appeal. Puma did not furnish a copy of its notice of appeal to Mil-Oro. There was no statement of material dates and no verification.

Puma filed a motion for reconsideration on October 8, 1988. It was at this point when the decision in the other case it had earlier filed, G.R. No. 75067, was brought to the Court's attention and extensively treated. After taking into account the fact that the decision in the Inter Partes Cases had already become final for failure to file a timely and correct appeal and finding that what was decided in G.R. No. 75067 was a denial of motion to dismiss and the issuance of preliminary injunction, this Court denied a motion for reconsideration in G.R. Nos. 7556263 on May 15, 1989 with FINALITY. The entry of judgment was recorded on June 7, 1989."

But do the marks, as shown below, resemble each other such that confusion or even deception is likely to occur?



Opposer's Mark

Respondent-Applicant's Mark

Both marks adopted the device of a jumping cat. The Respondent-Applicant's mark, however, is accompanied with the letter "D". This, however, is not sufficient to negate confusion since the device itself is more apparent and striking in the Respondent-Applicant's mark which is part and parcel of the Opposer's registered mark. Thus, when used on similar or related goods such as socks, this will create the impression that the

⁶ 187 SCRA 592.

Respondent-Applicant's goods originate from or are sponsored by the Opposer when in fact they are not. The consumers might reasonably assume that there is some connection between the marks and/or between the parties themselves.

As held by the Supreme Court in *Converse Rubber Corporation v. Universal Rubber Products, Inc., et. al.*:⁷

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. Here, 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.

While it may be argued that the Respondent-Applicant's mark covers goods other than socks under Classes 25 and 18, this does not preclude the Opposer from using or protecting its mark for goods that are within the normal potential expansion of its business. As has been held in several cases decided by the Supreme Court, the scope of protection afforded to registered trademark owners is not limited to protection from infringers with identical goods. The scope of protection extends to protection from infringers with related goods, and to market areas that are the normal expansion of business of the registered trademark owners. Thus, the Court declared in the case of *Societe Des Produits Nestle, S. A. v. Dy*⁸ that:

Modern law recognizes that the protection to which the owner of a trademark is entitled is not limited to guarding his goods or business from actual market competition with identical or similar products of the parties, but extends to all cases in which the use by a junior appropriator of a trademark or trade-name is likely to lead to a confusion of source, as where prospective purchasers would be misled into thinking that the complaining party has extended his business into the field (see 148 ALR 56 et sq; 53 Am. Jur. 576) or is in any way connected with the activities of the infringer; or when it forestalls the normal potential expansion of his business (v. 148 ALR, 77, 84; 52 Am. Jur. 576, 577).

This Bureau, therefore, finds that the Respondent-Applicant's trademark application is proscribed by Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filer wrapper of Trademark Application Serial No. 4-2009-002957 be returned,

⁷ G.R. No. L-27906, 08 Jan. 1987.

⁸ G. R. No. 172276, August 09, 2010.

together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 18 September 2015.



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