



DAICEL CORPORATION,
Opposer,

-versus-

CFF GMBH & CO. KG.,
Respondent-Applicant.

X-----X

} IPC No. 14-2013-00447
} Opposition to:
} Application No. M/0000/01162265
} Date filed: 08 August 2013
} TM: "DIACEL"

NOTICE OF DECISION

FEDERIS AND ASSOCIATES LAW OFFICES

Counsel for the Opposer
Suite 2004 and 2005, 88 Corporate Center
141 Valero Street, Salcedo Village
Makati City

CFF GMBH & CO., KG.

Respondent-Applicant
Arnstadler Strasse 2, 98708 Gehren
Germany

GREETINGS:

Please be informed that Decision No. 2015 - 221 dated October 22, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 22, 2015.

For the Director:

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



DAICEL CORPORATION,

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CFF GMBH AND CO., KG,

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IPC No. 14-2013-00447

Opposition to Trademark

Application No. M/0000/01162265

Date Filed: 08 August 2013

Trademark: "DIACEL"

Decision No. 2015- 221

DECISION

Daicel Corporation¹ ("Opposer") filed an opposition to Trademark Application Serial No. M/0000/1162265. The contested application, filed by CFF GMBH and Co., KG² ("Respondent-Applicant"), covers the mark "DIACEL" for use on *"auxiliary filtering agents made of raw or semi-worked synthetic materials, minerals or substances, in powder, liquid or paste form used for facilitating the making and loosening of the filter cake as well as for fixing colloidal and mucous substances"* under Class 01 of the International Classification of Goods³.

The Opposer anchors its opposition on the provision of Section 123.1 subparagraphs (d), (e) and (f) of the Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code")⁴. According to the Opposer, it is a manufacturer, merchant and dealer of wide range of organic and inorganic products. During the World War I, the celluloid industry was very active but after

¹ A limited liability company organized and existing the laws of Japan, with principal address at 3-4-5 Umeda, Kita-ku, Osaka-shi, 530-0001 Japan.

² With known address at Arnstadler Strasse 2, 98708 Gehren, Germany.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and services 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 the Registration of Marks concluded in 1957.

⁴ Section 123.1. A mark cannot be registered if it:

xxx

(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 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 knowledge of the relevant sector of the public, rather than of the public at large, 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 or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those 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; x x x"

**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

that, the demand for celluloid fell due to recession. As a result, sales competition became increasingly intense between the celluloid manufacturing companies and the industry itself nearly collapsed. In 1919, eight celluloid companies merged and the joint company created adopted the name Dainippon Celluloid, Ltd. In or about 1956, the Opposer coined and adopted "DAICEL", which is the abbreviation of Dainippon Celluloid, as a trademark for its products. Then in 1966, it decided to adopt "DAICEL" also as its corporate name.

The Opposer alleges that its mark "DAICEL" is a protected mark all over the world and that it has invested enormous resources in advertising and popularizing the same. It contends that the opposed mark "DIACEL" is confusingly similar and nearly identical to "DAICEL" especially that they both are used for goods under Class 01. In support of its Opposition, the Opposer submitted the following as evidence:

1. affidavit of Takashi Momose, Director, Intellectual Property Centre of the Opposer;
2. certified true copy of its Articles of Incorporation;
3. relevant extract of the resolution passed by the Board of Directors;
4. printout of the detailed information of the Opposer taken from its website www.daicel.com;
5. specimen invoices and purchase orders of its affiliates;
6. sample invoices and shipping invoices;
7. catalogues;
8. copies of annual reports and financial summaries;
9. database list of its trademark registration and applications for "DAICEL";
10. copies of its trademark registrations;
11. affidavit of Jan Abigail L. Ponce;
12. certified true copy of Certificate of Registration No. 4-2011-007539.⁵

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 28 January 2014. The Respondent-Applicant, however, did not file an Answer. Accordingly, the Hearing Officer issued on 22 July 2014 Order No. 2014-985 declaring the Respondent-Applicant in default and the case submitted for decision.

Records and evidence reveal that at the time the Respondent-Applicant filed its application for "DIACEL" on 08 August 2013, the Opposer already has a valid and existing registration for the mark "DAICEL" under Certificate of Registration No. 4-2011-007539 issued on 05 January 2010.

⁵ Marked as Exhibits "B" to "O".

The Opposer's registered mark is "DAICEL" while the Respondent-Applicant's applied mark is "DIACEL". The only difference between the two marks is their respective second and third letters where they appear to be merely interchanged. This difference notwithstanding, the competing marks still look and sound alike. 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 purchased as to cause him to purchase the one supposing it to be the other.⁶ Aply, the Supreme Court held in the case of **Del Monte Corporation vs. Court of Appeals**⁷, thus:

"The question is not whether the two articles are distinguishable by their label when set side by side but whether the general confusion made by the article upon the eye of the casual purchaser who is unsuspecting and off his guard, is such as to likely result in his confounding it with the original. As observed in several cases, the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade and giving the attention such purchasers usually give in buying that class of goods is the touchstone."

Moreover, the likelihood of confusion is even more probable as the Respondent-Applicant will use the mark on goods that are similar and/or closely related to the Opposer's. The Opposer registered its mark "DAICEL" for use on, among others, *"chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed plastics [plastics in primary form]; fertilizers; plant growth regulating preparations; adhesives [not for stationery or household purposes]; pulp; packing materials for use in liquid chromatography columns; artificial and synthetic resins, plastics in the form of powders, liquids and pastes; resins for cleaning molding machines or extrusion molding machines [unprocessed plastics] fiber reinforced synthetic resins"* under Class 01. Similarly, the Respondent-Applicant uses or intends to use the mark "DIACEL" on *"auxiliary filtering agents made of raw or semi-worked synthetic materials, minerals or substances, in powder, liquid or paste form used for facilitating the making and loosening of the filter cake as well as for fixing colloidal and mucous substances"* also under Class 01.

Succinctly, it is settled that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. 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

⁶ Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, April 4, 2001.

⁷ G.R. No. L-78325, January 25, 1990.

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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."⁸

Finally, 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 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 Respondent-Applicant's trademark fell short in meeting this function.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1(d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. M/0000/01162265 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 22 October 2015.


ATTY. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

⁸ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

⁹ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.