



NEXT JEANS, INC.,  
Opposer,

-versus-

ELWOOD KELLY B. LIAO,  
Respondent-Applicant.

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}  
} IPC No. 14-2015-00182  
} Opposition to:  
} Appln. Serial No. 4-2014-015461  
} Date Filed: 17 December 2014  
} TM: "NEXT LEVEL"  
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**NOTICE OF DECISION**

**SIOSON SIOSON & ASSOCIATES**

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**ELWOOD KELLY B. LIAO**

Respondent-Applicant  
68 F. Manalo Street  
Cubao, Quezon City

**GREETINGS:**

Please be informed that Decision No. 2016 - 22 dated January 18, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 18, 2016.

For the Director:

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

**NEXT JEANS, INC.,**  
Opposer,

-versus-

**ELWOOD KELLY B. LIAO,**  
Respondent-Applicant.

} **IPC NO. 14-2015-00182**

} Opposition to:

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} Appln. Ser. No. 4-2014-015461

} Date Filed: 17 December 2014

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} Trademark: "NEXT LEVEL"

}

x-----x} Decision No. 2016- **22**

### DECISION

NEXT JEANS, INC., (Opposer)<sup>1</sup> filed an opposition to Trademark Application Serial No. 4-2014-015461. The application, filed by ELWOOD KELLY B. LIAO (Respondent-Applicant)<sup>2</sup>, covers the mark "NEXT LEVEL", for use on "sando, shorts, kid's shirts, crew neck, V-neck shirts, t-shirts, t-shirts, long sleeves, dry fit, socks, jackets, hoodless, blouses and polo shirts" falling under class 25 of the International Classification of Goods<sup>3</sup>.

The Opposer anchors its opposition on the following grounds:

"1. The approval of Application SN 4-2014-015461 is contrary to Sec. 123.1 (d), 138, 147 and 165 of Republic Act No. 8293 (IP Code).

"2. Respondent-Applicant is not entitled to register the trademark 'NEXT LEVEL' in his favor and the approval of the application SN 4-2014-015461 has caused and will continue to cause great and irreparable damage and injury to herein Opposer."

According to the Opposer:

"1. Opposer is a corporation duly organized and existing under the laws of the Philippines, with business and office address at 55-B Lincoln Street, Brgy. San Antonio, Quezon City.

<sup>1</sup> A corporation duly organized and existing under Philippine laws with address at 55-B Lincoln Street, Brgy. San Antonio, Quezon City

<sup>2</sup> Filipino with address at 68 f. Manalo Street, Cubao, Quezon City

<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.

"2. Opposer is the registered owner of the trademark 'NEXT' under Registration No. 47510 originally issued on 5 March 1990 and renewed on March 5, 2010, for use on pants, jeans, shirts, skirts, blouses, shoes, sandals, slippers, dresses falling under Class 25.

"3. The trademark 'NEXT' is also registered in favor of Opposer under Registration No. 55791 originally issued on August 18, 1993, and renewed on August 18, 2013, for use on leather goods namely, shoes sandals, wallets, handbags, children's clothing namely, dresses, panty, shorts, t-shirts, blouses, fashion accessories namely, sunglasses, buckets, watches, belts, umbrella, hankies falling under Classes 14, 18 and 25.

"4. The trademark 'NEXT' is also registered in favor of Opposer under Registration No. 4-2012-012899 issued on February 6, 2014, for use on lotions, perfumes, hand sanitizers, hand wash, body wash, shampoos, colognes, conditioners, hair sprays, hair gels, make-up, nail polish, powders, deodorants, soaps, liquid soaps, facial wash, eyewear, eyeglasses, sunglasses, comb, brush, tumblers, coffee mugs, towels, handkerchiefs, pins, rubber bands, headbands falling under Classes 3, 9, 21, 24 and 26.

"5. Opposer is also the registered owner of the mark 'NXT' under Registration No. 4-2008-012245 issued on August 23, 2013 for use on wallets, bags, all kinds of articles of outer and underwear for men, women, teenagers and children, namely, shirts, blouses, skirts, suits, pants, trousers, jeans, vests, dresses, ties, coats, jackets, stockings, lingerie, panties, slips, camisoles, belts, bras, girdles, sandos, robes, bathing suits, socks, gloves, scarves, shoes, slippers, sandals, headwear, namely, hats, caps, falling under Classes 18 and 25.

"6. Opposer first used the trademark 'NEXT' on January 15, 1987 on goods falling under Class 25 (Exhibit 'B'); and on January 15, 1990 on goods falling under Classes 14 and 18 (Exhibit 'C') and in 2004 on goods falling under Classes 3, 9, 21, 24 and 26 (Exhibit 'D').

"7. Opposer has not abandoned the use of its registered trademark 'NEXT' and 'NXT' but continued their use since 1987 up to the present.

xxx

"8. As further proof of the continuous use of its registered trademark 'NEXT', as well as the extension of its use on other classes of goods, Opposer submits herewith representative sales invoices, as well as photographs of the representative products bearing the trademark 'NEXT'.

Opposer's goods bearing its registered mark 'NEXT' are widely distributed nationwide through the various and numerous branches of SM and Robinson's Department Stores, as well as online (www.nextjeans.com.ph)

"9. Opposer has advertised its registered trademark 'NEXT'.

"10. In addition to using 'NEXT' as its corporate name, Opposer has also used 'NEXT' as its trade name/business name duly registered with the Department of Trade and Industry, and the Bureau of Internal Revenue.

"11. The mark 'NEXT LEVEL', subject of Respondent-applicant's Application SN 4-2014-015461 is confusingly similar, if not identical, to Opposer's registered trademarks 'NEXT', whether under the Dominancy Test or the Holistic Test. When used in connection with goods falling under Class 25, Respondent-applicant's goods bearing his opposed mark will be taken by the consuming public as the next higher grade or of better/superior quality than the goods of Opposer.

In addition, Respondent-applicant's application also covers goods identical and/or closely related to the goods covered by Opposer's registrations, particularly, goods falling under Class 25.

"12. Thus, approval of Respondent-applicant's application for the registration of the mark 'NEXT LEVEL' is contrary to Section 123.1 (d) of Republic Act No. 8293, which provides:

Sec. 123.1. Registrability. 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.

In addition, approval of the application in question violates the right of Opposer to the exclusive use of its trademark 'NEXT' on the goods listed in its certificates of registration. xxx



"13. Approval of Respondent-applicant's application violates Section 165 of the IP Code which provides: xxx"

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

1. Certified Copy of Opposer's Amended Articles of Incorporation issued by the Securities and Exchange Commission;
2. Certified copy of Certificate of Registration No. 47510 issued on March 5, 1990 for the trademark "NEXT" under Class 25;
3. Certified copy of Certificate of Renewal of Registration No. 47510 issued on 5 March 2010;
4. Certified copy of Certificate of Registration No. 55791 issued on August 18, 1993 for the trademark "NEXT" under Classes 14, 18 & 25;
5. Certificate of Renewal of Registration No. 55791 for the trademark "NEXT" issued on August 18, 1993;
6. Certified copy of Certificate of Registration No. 4-2012-012899 for the trademark "NEXT" issued on February 6, 2014 for goods falling under Classes 3, 9, 21, 24 and 26;
7. Certificate of Registration No. 4-2008-012245 for the trademark "NXT" issued on August 23, 2013 for goods falling under Classes 18 and 25;
8. Duplicate copies of Affidavits/Declarations of Actual Use for Registration No. 47510 and Registration No. 55791;
9. Representative sales invoices and photographs of products bearing the mark "NEXT";
10. Delivery receipts bearing the registered mark "NEXT";
11. Print-outs from the website [www.nextjeans.com.ph](http://www.nextjeans.com.ph);
12. Samples of advertisements bearing the mark "NEXT";
13. Certificates of Registration for the trade name/business name "Next Jeans, Inc." issued by the Department of Trade and Industry and the Bureau of Internal Revenue;
14. Print -out of Respondent- Applicant's Application SN 4-2014-015461; and
15. Duly notarized affidavit of Elizabeth Chong Munoz Ang, President of Next Jeans, Inc.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 9 June 2015. The Respondent-Applicant, however did not file an Answer. Thus, the Hearing Officer issued on 20 October 2015 Order No.1538 declaring the Respondent-Applicant in default.

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

Sec. 123.1. Registrability. A mark cannot be registered if it:

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<sup>4</sup> Exhibits "A" to "K"



(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 show that at the time Respondent-Applicant applied for registration of the mark "NEXT LEVEL" on 7 December 2014 for goods under Class 25, the Opposer already has existing Registration No. 55791<sup>5</sup> for the mark "NEXT" on goods under Classes 25, 14 and 18, namely: pants, jeans, shirts, blouses, shoes, sandals, slippers, dresses, leather goods, namely: shoes, sandals wallets, handbags, children's clothing, namely dresses, panty, shorts, t-shirts, blouses, fashion accessories, namely: buckets, watches, belts, umbrella, hankies. In addition, Opposer also has Registration No. 47510<sup>6</sup> for the trademark "NEXT" for goods under Class 25, namely "pants, jeans, shirts, skirts, blouses, shoes, sandals, slippers and dresses".

But are the competing marks, depicted below, confusingly similar?



Opposer's mark



Respondent-Applicant's mark

Opposer attached copies of certificates registration, renewal of registrations and DAU<sup>7</sup> issued prior to the filing of Respondent-Applicant's application, the earliest of which was issued as early as 5 March 1990.

The only difference between the marks, is the Respondent-Applicant added the word "LEVEL" to the word "NEXT". It has been stated that, 'the conclusion created by the use of the same word as the primary element is not counteracted by the addition of another term. It has been held time and again that in cases of grave doubt between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favour with the public, any doubt should be

<sup>5</sup> Exhibit "C"

<sup>6</sup> Exhibit "B"

<sup>7</sup> Exhibits "B", "C", "D" and "F"

resolved against the newcomer in as much as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.<sup>8</sup>

Succinctly, confusion, even deception, is likely because the Respondent-Applicant uses or will use the mark NEXT on goods that are identical and/or closely related to the Opposer's. Respondent-Applicant's application thus, is necessarily proscribed under Section 123.1 (d) of the IP Code.

Furthermore, the Opposer's corporate name, carries its trademark "NEXT" and is also used as trade name and company name. As such, it is entitled to protection under the IP Code, to wit:

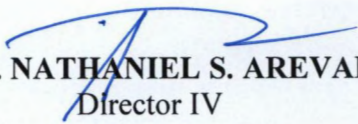
**Section 165. Trade Names or Business Names.** - 165.1. A name or designation may not be used as a trade name if by its nature or the use to which such name or designation may be put, it is contrary to public order or morals and if, in particular, it is liable to deceive trade circles or the public as to the nature of the enterprise identified by that name.

165.2.(a) Notwithstanding any laws or regulations providing for any obligation to register trade names, such names shall be protected, even prior to or without registration, against any unlawful act committed by third parties.

**WHEREFORE**, premises considered, the instant Opposition to Trademark Application No. 4-2014-015461 is hereby **SUSTAINED**. 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, 18 January 2016.

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

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<sup>8</sup> Del Monte Corporation et. al. v. Court of Appeals, GR No. 78325, 25 January 1990.