

CAMPOMAR, S.L.,
Opposer,

-versus-

NIKE INNOVATE C.V. [U.S.],
Respondent- Applicant.

x-----x

}
} **IPC No. 14-2014-00450**
} Opposition to:
} Appln. Serial No. 4-2014-008311
} Date Filed: 01 July 2014
} **TM: "NIKE"**
}
}
}
}
}
}

NOTICE OF DECISION

SALVADOR AND ASSOCIATES

Counsel for the Opposer
929 San Jose Street, Ilaya
Las Piñas City

CARAG JAMORA SOMERA & VILLAREAL LAW OFFICES

Counsel for Respondent-Applicant
2nd Floor, The Plaza Royale, 120 L.P. Leviste
(formerly Alfaro St.) Salcedo Village
Makati City

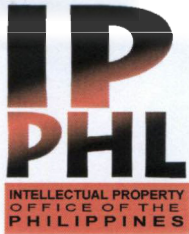
GREETINGS:

Please be informed that Decision No. 2016 - 52 dated February 19, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 19, 2016.

For the Director:

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



CAMPOMAR, S.L.,
Opposer,

- versus -

NIKE INNOVATE C.V. [U.S.],
Respondent-Applicant.

x ----- x

IPC No. 14-2014-00450
Opposition to:

Appln. No. 4-2014-008311
Date Filed: 01 July 2014
Trademark : "NIKE"

Decision No. 2016 - 52

DECISION

CAMPOMAR, S.L., ("Opposer")¹ filed a verified opposition to Trademark Application Serial No. 4-2014-008311. The application, filed by NIKE INNOVATE C.V. [U.S.] ("Respondent-Applicant")², covers the mark "NIKE" for use on goods under class³ 03 namely: *preparations for bleaching and other substances for washing; preparations for cleaning, polishing, degreasing and abrading; soap, perfumery, essential oils, cosmetic, hair and body lotions and dentifrices.*

The Opposer, in summary, alleges the following:

Campomar is the registered owner in, among other countries, the Philippines of the NIKE mark for use on goods under class 03 namely: preparations for bleaching and other substances for washing; preparations for cleaning, polishing, degreasing, and abrading; soap perfumery, essential oils, cosmetic, hair and body lotions; and dentifrices under Registration No. 90004 issued on 29 April 2009. Campomar's predecessor-in-interest, Perfumes Nike, was founded between 1928 and 1929 by Angel Fernandez Mateos ("Mateos"), with office at Almeria, Spain. The business has operated under the tradename Perfumes Nike. Mateos owned another company, Destileria Angel Fernandez Mateos, which produces the essential oils, chemical products, and other raw materials utilized by other manufacturers of perfumes, toiletries, and similar products.

Since its foundation, Perfumes Nike has used the NIKE mark as the brand name for its wide range of manufactured perfume products, which included sporting toiletries which are sold in Spain. It also exported its products to various countries in Europe, Africa and the United States.

Perfumes Nike, through its founder and original owner, Mateos, applied for, and was granted trademark registration in Spain for various trademarks which include the 'NIKE' name, covering toiletries, cosmetics, perfumes, and related products, consisting of the following: Trademark No. 120.212: NIKE, Trademark No. 155.689: HENO NIKE, Trademark No. 218.993: JABON HENO NIKE, Trademark No. 289.672: NIKE TULIPAN, Trademark No. 443.030: LAVANDA PURA NIKE, Trademark No. 481.059: VIGOROSO DONCEL NIKE PERFUMES, Trademark No. 509.292: LAVANDA NIKE,

¹ A limited liability company organized and existing under the laws of Spain, with address at Avda. de Espana, 9, 51001 Cueta, Spain.

² A foreign corporation and subsidiary of Nike, Inc., with address at One Bowerman Drive, Beaverton, Oregon, U.S.A.

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 Services for Registration of Marks concluded in 1957.

Trademark No. 531.937: LAVANDA SILVESTRE DE ESPANA NIKE, Trademark No. 548.738: NIKEFIX, Trademark No. 548.739: GEL MOUSSANT NIKE.

Perfumes Nike also obtained international registrations: Trademark No. 254.319: NIKE, and Trademark No. 254.320: HENO NIKE, with priority date 1962. Furthermore, U.S. Trademark No. 775.529 for the NIKE mark, was made out to Campomar because it was issued after the ownership of the mark has been transferred thereto. Also, Perfumes Nike was granted trademarks in Morocco.

On the other hand, herein opposer Campomar, founded in 1964 was engaged in the manufacture and sale of perfumes, toiletries, and similar products. In 1980, Campomar was engaged by Perfumes Nike as distributor for the latter's NIKE line of products. In 1984, Campomar bought Perfumes Nike from Mateos, acquiring all of the latter's assets - equipment, machineries, and outstanding inventory of raw materials and finished products, and all of the registered trademarks including the NIKE trademarks. Campomar also decided to expand its trademarks protection to other countries outside of Spain. On 01 June 1984, Campomar registered again with practically all of the countries signatory to the Madrid Convention the NIKE mark (International Trademark No. 485.964), which was previously registered by Mateos in 1962 as International Trademark No. 254.319. Since that time, other trademarks have been applied for and registered in different countries for Campomar, one of which was the 'NIKE' International Trademark No. 652.471, for soaps and other products not included by the previous international trademark registration.

Thereafter, Antonio Ruiz, Managing Director of Campomar, informed Philip Knight of Nike, Inc. of the said purchase and the possibility of marketing and selling internationally the NIKE brand of perfumes/cosmetics in conjunction with Nike International. However, Nike, Inc. rejected Campomar's project proposals because it does not believe that perfume and cosmetic products are part of Nike, Inc.'s image. In the following years, Campomar modernized the image of old products of Perfumes NIKE and established expansion. In 1992, DE RUY PERFUMES, S.A. founded under the EU regulation used specialized staff and latest technology in its new plants for the manufacture of perfumes, enhancing the international commercial activity of its NIKE brand bearing its modernized trademark image.

Nike International and its subsidiaries brought lawsuits or administrative oppositions against Campomar and its subsidiaries, and/or their distributors in several countries including Spain. Due to Campomar's limited financial capability, it was not able to defend many of the cases against it, the actions brought by Nike International produced different outcomes. Nevertheless, its cases in courts, including the Spanish lower courts and High Court and the Australian High Court, decided in favor of Campomar.

The Spanish Supreme Court decided to confirm to Campomar the grant of the trademark NIKE in Trademark Application No. 2.043.009 on 02 August 1996. In the Philippines, Campomar's NIKE mark was issued Trademark Registration No. 90004 on 29 April 2009, despite opposition by Nike International. This remained effective until 29 April 2019. Campomar's products are already being sold in the Philippines.

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

1. Certified copy of Trademark Registration No. 90004;
2. Special Power of Attorney;
3. Notarial document in behalf of Fernando Ruiz Vallejo as Sole Administrator of Campomar;
4. Different labels and packages, including date of manufacture of NIKE products of Perfumes Nike from 1929 to 1984;
5. Statements of procedure and publications of the mark NIKE and its variants between 1940 and 1967 showing assignment of mark to Campomar;

6. Publication of Trademark Nos. 254.319 for NIKE, and 254.320 for HENO NIKE (1962);
7. Renewal certificate of U.S. Trademark No. 775.529 for NIKE;
8. Notarial deed of transfer of Perfumes Nike's assets to Campomar on 21 February 1984;
9. NIKE trademark of Campomar in different countries with priority and registration dates and renewal;
10. Correspondence between Nike International and Campomar in 1985 to 1986;
11. Deeds of Constitution of Campomar's modernization of Perfumes Nike's products;
12. Judgments of Spanish lower courts and High Court, Australian High Court in favor of Campomar;
13. Spanish Trademark Application no. 2.043.009 for NIKE by Campomar;
14. Judgment of Spanish supreme Court in favor of Campomar;
15. Decision of the Industrial Property Office of the Czech Republic in favor of Campomar;
16. Decision of the Court of Appeals of the Republic of Singapore in favor of Campomar;
17. Decision of the Administrative Court of Uruguay in favor of Campomar;
18. Decision of the Administrative Court of Ecuador in favor of Campomar;
19. Decision of the Court of Spain in favor of Campomar;
20. Application for Trademark NIKE and renewal of certificates;
21. Samples Catalogues of Campomar;
22. Affidavit of Fernando Ruiz Vallejo;
23. Decision of Intellectual Property Office Philippines dated 09 September 2008 in IPC No. 4251 in favor of Campomar; and,
24. Pictures of Campomar's products sold in the Philippines.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 15 December 2014. Respondent-Applicant however, did not file an answer. Thus, it is declared in default and this case is deemed submitted for decision.⁴

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

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.⁵

Records show that at the time Respondent-Applicant filed the subject application for the trademark "NIKE" on 01 July 2014, herein Opposer already has existing registration for the trademark "NIKE" filed on 22 December 1993, and issued on 29 April 2009.⁶ Opposer is likewise the holder of various international registrations and renewal of registrations of its mark "NIKE"; and, several applications for trademark registration.⁷

Obviously, the contending marks are identical in all aspects, in visual and aural appearance. The slight difference in the font used by the marks is insignificant. With respect to the goods covered, they appear to cover identical goods under classification 03.

⁴ Order No. 2015-836 dated 01 June 2015.

⁵ 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).

⁶ Exhibit "A" of Opposer.

⁷ Exhibits "F", "I", and "T" of Opposer.

In this regard, this Bureau takes judicial notice of the registration of herein Opposer's "NIKE" mark which started off from an opposition case docketed as IPC No. 4251, instituted by Nike International Ltd., involving the same mark. This Bureau thence issued Decision No. 2008-165 dated 09 September 2008⁸, which has already become final and executory⁹. The said decision ruled in favor of Campomar S.L. (herein Opposer) resolving issues on confusing similarity of the competing marks and the goods covered, and the ownership of the subject mark, thereby, giving due course to its application for the mark "NIKE" under class 03 for bleaching preparations, and other substances for laundry use, cleaning, polishing, scouring and abrasive preparations, soaps, perfumery products essential oils, cosmetic products, hair lotions and dentrifices, as opposed by Nike International's mark "NIKE" covering classes 42, 25 and 18. Thus, the said decision confirmed the rights conferred to Campomar S.L. as the owner of a registered mark "NIKE" which includes the exclusive right to prevent all third parties not having the owner's consent from using the course of trade identical or similar goods which are identical or similar to its registered mark where such use would result in a likelihood of confusion.¹⁰

Sec. 123.1 (d) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides:

Sec. 123. Registrability. - 123.1. 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;
- (Emphasis Supplied)

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:¹¹

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 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

⁸ Exhibit "V" of Opposer.

⁹ Entry of Judgment/Execution of Decision dated 30 October 2009 by the Bureau of Legal Affairs.

¹⁰ Sec. 147.1, IP Code.

¹¹ Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.


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.¹²

It is underscored the fact that the Respondent-Applicant despite the opportunity given, failed to explain its position in using the mark "NIKE" as it chose not to file its Answer.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-008311 is hereby **SUSTAINED**. Let the file wrapper 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, 19 February 2016.


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

¹² Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.