

CHANEL SARL,
Opposer,

-versus-

NAMIL LIM,
Respondent-Applicant.

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} **IPC No. 14-2014-00300**
} Opposition to:
} Appln. Serial No. 4-2013-013068
} Date filed: 30 October 2013
} **TM: "NANACOCO"**
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}

NOTICE OF DECISION

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105 Paseo de Roxas, Makati City


NAMIL LIM
Respondent-Applicant
4th Floor, GA Yupangco Bldg.
339 Sen. Gil Puyat Avenue, Makati City

GREETINGS:

Please be informed that Decision No. 2016 - 07 dated January 11, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 11, 2016.

For the Director:


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

CHANEL SARL,

Opposer,

-versus-

NAMIL LIM,

Respondent-Applicant.

IPC No. 14-2014-00300

Opposition to:

Application No. 4-2013-013068

Date Filed: 30 October 2013

Trademark: "NANACOCO"

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Decision No. 2016- 07

DECISION

CHANEL SARL¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2013-00013068. The application, filed by Namil Lim² ("Respondent-Applicant"), covers the mark "NANACOCO" for use on "nail polish, soaps, perfumery, essential oils, cosmetics, hair lotions" under Class 03 and "business management, business administration, office functions" under Class 35 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"The grounds for the opposition of the registration of trademark are as follows:

"1. Opposer is the registered owner in the Philippines of the COCO mark and various COCO composite marks, i.e., COCO CHANEL, COCO NOIR for goods in Class 3, under Registration Nos. 054979, 016026, 42009004284, 42012000486 and 047068. The trademark COCO was first registered by the Opponent in the Philippines in 1970 or long before Respondent-Applicant filed its application for registration for NANACOCO with the IPO.

"2. Opposer, affiliated Chanel companies and their predecessors in business and title (collectively referred to as 'Chanel') have been using the COCO trademark and variants thereof including COCO CHANEL, COCO MADEMOISELLE, COCO N OIR and ROUGE COCO (individually and collectively referred to as 'COCO Marks') in many countries for fragrances, related cosmetic products and/or make up before Respondent-Applicant adopted the NANACOCO mark. Opposer is the first user of the COCO Marks in the Philippines, having utilized the same since at least 2004.

"3. Respondent-Applicant's mark NANACOCO so resembles, and in fact, wholly incorporates the COCO mark as to be likely, when applied to or used in connection with identical and related goods of Respondent-Applicant, to cause

¹A foreign corporation organized and existing under the laws of Switzerland, with address at Burgstrasse 26, CH-8750 Glarus, Switzerland.

²With address at c/o Philbridge Inc., 4th Floor GA Yupangco Bldg., 339 Sen. Gil Puyat Ave., Makati City, Metro Manila, Philippines.

³The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a 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 Purposes of the Registration of Marks concluded in 1957.

confusion, mistake, and deception on the part of the purchasing public by misleading them into thinking that Respondent-Applicant's goods either come from Opposer or are sponsored or licensed by it.

"4. The goods for which the Respondent-Applicant's mark are applied are identical or closely related to the goods for which Opposer's COCO Marks are used and registered. Respondent-Applicant's NANACOCO mark is sought to be registered for goods in Class 3, for which class of goods the COCO Marks are likewise registered and/or used.

"5. The registration and use by Respondent-Applicant of the NANACOCO mark will diminish the distinctiveness and dilute the goodwill of Opposer's COCO Marks. The fame and reputation of the COCO Marks, particularly in the fragrance and beauty field, has been recognized by courts and intellectual property offices in various countries of the world.

"6. Given the worldwide recognition and prior use of Opposer's COCO Marks in the Philippines, there is no clear reason for Respondent-Applicant to have adopted the NANACOCO mark, other than to trade on the goodwill and worldwide recognition of the COCO Marks, thereby misleading the public into believing that its identical or similar goods bearing the trademark NANACOCO originate from, or are licensed or sponsored by Opposer; which has been identified by consumers as the exclusive source of fine quality products bearing the COCO Marks.

"7. The approval of Respondent-Applicant's trademark NANACOCO is based on the representation that is the originator, true owner and first user of the trademark, when, in fact, it merely derived so from Opposer's trademarks.

"To support this opposition, Opposer will prove and rely upon, among other facts, the following:

"1. Opposer adopted and has been using the mark COCO for 20 years for class 3 and has subsequently adopted and used other COCO composite marks, long before Respondent-Applicant adopted the nearly identical NANACOCO mark for identical or closely-related goods. The COCO Marks are registered or have been applied for registration in over 160 countries of the world.

"2. In the Philippines, Opposer is the registered owner, first user; and rightful owner of the COCO Marks, the marks having been used in commerce since at least 2004, or long before the application for registration of the NANACOCO mark was filed in 2013.

"3. By virtue of prior and continued commercial use in the Philippines and worldwide, the COCO Marks have become internationally well-known among consumers who identify them with a range of high quality fragrance, cosmetics and beauty products originating from Chanel.

"4. The registration and use of a confusingly similar trademark by Respondent-Applicant will tend to deceive and/or confuse purchasers into believing that Respondent-Applicant's products emanate from or are under the sponsorship of Opposer and damage Opposer's interests for the following reasons:

"i. Respondent-Applicant's NANACOCO mark wholly incorporates Opposer's COCO mark.

"ii. The goods on which the mark NANACOCO will be used are identical or closely related to those for which Opposer's COCO Marks are used and registered. NANACOCO is sought to be registered in Class 3 for 'nail polish, soaps, perfumery, essential oils, cosmetics, and hair lotions' while the COCO Marks are registered and used in Class 3 in respect of soaps, perfumery, cosmetics, hair preparations, bath gel and/or body lotions, among others.

"iii. The goods on which the subject marks are used and to be used flow through the same channels of trade which only heightens the confusion and deception that can be wrought upon the consumers.

"iv. The use by Respondent-Applicant of the dominant element of the COCO Marks, i.e., COCO, with the prefix NANA, such that the entire mark is similar to the usual composition of the Opposer's other COCO composite marks, such as ROUGE COCO, COCO NOIR, COCO CHANEL and COCO MADEMOISELLE, implies a connection between Opposer and Respondent-Applicant's products and confuses purchasers as to the origin of the goods, to the detriment of Opposer's highly distinctive COCO Marks.

"v. Respondent-Applicant's use of the mark NANACOCO will diminish and dilute Opposer's reputation and goodwill among consumers because the COCO Marks have been exclusively associated with Opposer for perfumery, cosmetic and beauty products in Class 3. Indeed, COCO is derived from the name of Chanel's founder and is widely recognized as such around the world, particularly in the fields of fashion, fragrance and beauty.

"vi. Respondent-Applicant has applied to register the trademark NANACOCO as a self-promoting trademark to gain public acceptability for its products through association with Opposer's popular COCO Marks, which have attained international renown for products of the finest quality.

"vii. Respondent-Applicant intends to trade and is trading on Opposer's goodwill. Opposer's COCO mark is derived from the name of Chanel's founder, which resonates with purchasers worldwide with respect to goods in Class 3. Respondent-Applicant's application for such confusingly similar mark in the same Class 3, therefore, reveals its intention to ride on the goodwill of Opposer's mark.

The Opposer's evidence consists of the Notice of Opposition; the Affidavit of Catherine Louise Cannon, authorized signatory of Chanel Sarl; copy of the Extract from the Glarus Commercial Register; and the Special Power of Attorney in favor of Sycip Salazar Hernandez & Gatmaitan.⁴

⁴ Marked as Annexes "A" to "D", inclusive.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 03 November 2014. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on Article 6bis of the Paris Convention and Article 16 of the Agreement on Trade and Related Aspects of Intellectual Property Rights and on Section 123.1, paragraphs (d), (e) and (f) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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;"
- (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 service 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;

Records show that at the time the Respondent-Applicant filed its trademark application on 30 October 2013, the Opposer already owns trademark registration for COCO marks issued since 1970 in the Philippines. The Opposer's Trademark Registration No. 16026 issued on 10 December 1970, covers "perfume and cologne" under Class 03. On the other hand, Trademark Application Serial No. 04-2013-00013068 of Respondent-Applicant covers "nail polish, soaps, perfumery, essential oils, cosmetics, hair lotions" under Class 03. Without a doubt, the Respondent-Applicant's

applied mark, is used or will be used on goods that are identical or closely-related to those covered by the Opposer's much earlier trademark registrations. The question now is: Are the competing marks, as shown below, identical and/or confusingly similar?

The competing marks, as shown below, are confusingly similar:



Opposer's trademark



Respondent-Applicant's mark

The Respondent-Applicant's mark consists of single word NANACOCO as against Opposer's COCO marks. Consumers who are familiar with the Opposer's products would even focus its attention on the word COCO instead of NANA. Thus, when a consumer sees or hears NANACOCO, he/she is likely to conclude that this brand is a variation of the Opposer's COCO marks. Without a doubt, it is likely that the registration and use of the Respondent-Applicant's mark would cause confusion or mistake on the part of the consumers, and also, damage to the Opposer. Not only is there a possibility of confusion of goods, but the Respondent-Applicant's products bearing the "NANACOCO" mark will be associated to the Opposer.

The Respondent-Applicant's attempt to register a mark that is a colorable imitation of the Opposer's mark is anathema to the abovesited principles and rationale of the trademark registration system. Being a business competitor, it is a fair inference that the Respondent-Applicant is well aware of the Opposer's brands/marks. Indeed, as held by the Supreme Court in *American Wire & Cable Co. vs. Director of Patents*:⁵

Why of the million of terms and combination of letters and designs available the appellee had to choose a mark so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark?

To conclude, the Respondent-Applicant's application for goods under Class 03 and services under Class 35 is proscribed under Sec. 123.1 (d) (iii) of the IP Code.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby **SUSTAINED**. Let the filewrapper of Trademark Application No. 4-2013-00013068 be


⁵ 31 SCRA 544.

A handwritten signature in blue ink, appearing to be 'AR', is located in the bottom right corner of the page.

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

SO ORDERED.

Taguig City, 11 January 2016.



NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs