

THE PROCTER AND GAMBLE COMPANY,
Opposer,

-versus-

NATASHA (SHOECAT, INC.),
Respondent-Applicant.

X-----X

IPC No. 14-2009-00218
Opposition to:
Appln. Serial No. 4-2008-011721
Date Filed: 24 September 2008
TM: "SPA Stylized"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2016 - 31 dated January 25, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 25, 2016.

For the Director:


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

THE PROCTER AND GAMBLE COMPANY, }
Opposer, }
 -versus- }
 NATASHA (SHOECAT, INC.), }
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IPC No. 14-2009-00218
 Opposition to:
 Application No. 4-2008-011721
 Date Filed: 24 September 2008
 Trademark: "SPA (Stylized)"
 Decision No. 2016- 31

DECISION

THE PROCTER AND GAMBLE COMPANY¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2008-011721. The application, filed by Natasha (Shoecat, Inc.)² ("Respondent-Applicant"), covers the mark "SPA (Stylized)" for use on "soap, face cream, toner, hand and body lotion, astringent, underarm deodorant, facial scrub, foot care products, cosmetics, hair care products" under Class 03 and "food supplement" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"I. The grounds for opposition are as follows:

"1. The Opposer is a leading manufacturer of household and personal care products which are distributed in numerous countries worldwide, including the Philippines. The Opposer's products include personal care goods in class 3 such as, but not limited to, facial soaps, hand soaps, skin lotions, hair lotions, shampoos, deodorants, perfumery, essential oils and cosmetics in class 3.

"2. The registration of the SPA (STYLIZED) trademark subject of this opposition will be contrary to the provisions of Sections 123.1 (i) and (j) of Republic Act No. 8293, as amended, which prohibit the registration of a mark that:

x x x

"3. Among the dictionary meanings of the word 'SPA' are 'a health and fitness facility' and 'a resort with mineral springs'. The fact that this word has a dictionary meaning deprives it with the capability to function as a trademark in relation to goods which can be used in connection with health and

¹A foreign corporation organized and existing under the laws of Ohio, U.S.A., with principal place of business at One, Procter & Gamble Plaza, Cincinnati, Ohio 45202, USA.

²A domestic corporation with office address at #610 Amang Rodriguez Avenue, Brgy. Dela Paz, Pasig City, 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

fitness facilities/resorts such as products on which the opposed mark are proposed to be used.

"4. The word SPA is has become customary to designate goods or services relating to the operation of health and fitness facilities and resorts. If used on goods in classes 3 and 5, the word SPA will not serve the function of a trademark but will merely designate the kind, quality, intended purpose, or value of the goods.

"5. SPA has a common meaning and significance that describes goods in classes 3 and 5 which are used in connection with the spa clinics, resorts and similar establishments. As it is not unlikely that the Company will manufacture and distribute goods in classes 3 and 5 that will bear the description SPA, the Opposer will be damaged by the registration of the mark subject of the instant opposition because it will be deprived of the right to use the descriptive word SPA in connection with goods in classes 3 and 5.

"6. The descriptiveness of the word SPA in relation to goods in class 3 is confirmed by the fact that the Honorable Intellectual Property Office has required the disclaimer of the word SPA appearing in certain marks registered in class 3. The details of some of these registrations are as follows:

x x x

"7. The Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act No. 8293, which provides:

x x x

The Opposer is domiciled in the United States of America. Both the Philippines and the United States of America are members of the Paris Convention for the Protection of Industrial Property. The Paris Convention provides:

x x x

"8. The denial of the application subject of this opposition is authorized under other provisions of Republic Act No. 8293.

"II. Opposer's evidence

Simultaneous with the filing of this notice, the Opposer will submit evidence in support of the opposition, reserving the right to present additional evidence to rebut evidence that will be presented by the Respondent-Applicant in support of its answer to this notice of opposition.

The Opposer's evidence consists of the Notice of Opposition; copy of the certificate constituting and appointing Quisumbing Torres or any of its individual members and associates to verify the notice of opposition and execute the certificate of non-forum shopping and the authority to represent Opposer in IPC No. 14-2009-000218; the affidavit of Mr. Carl J. Roof, the Assistant Secretary of The Procter and Gamble Company; and the list of international registrations and applications for the SPA mark

worldwide and representative copies of trademark registrations from various jurisdictions.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 08 October 2009. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the mark SPA (STYLIZED)?

The Opposer anchors its opposition on Section 123.1 paragraphs (i) and (j) 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

(i) Consists exclusively of signs that are generic for the goods or services that they seek to identify;

x x x

(j) Consists exclusively of signs or indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services.

Sec. 147. Rights Conferred. - 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

Records show that at the time the Respondent-Applicant filed its trademark application on 24 September 2008, the Opposer has trademark registrations in different countries for the SPA marks such as Elizabeth Arden SPA, Royal SPA, among others, (SPA as word is disclaimed). The registrations cover goods in Class 03. The Bureau noticed that the goods covered by Respondent-Applicant's trademark application are similar or closely-related to Opposer's.

The SPA mark, subject of this opposition is reproduced below:

⁴ Marked as Exhibits "A" to "D" inclusive.

SPA

Respondent-Applicant's mark

Respondent-Applicant adopted the name of or the term used to refer to a "resort with mineral springs" and/or "commercial establishment providing facilities devoted especially to health, fitness, weight loss, beauty, and relaxation".⁵ The Opposer's argument that the word SPA is descriptive for goods in Class 03 as it merely designates the kind, quality, intended purpose, or value of the goods is persuasive. In the Trademark Registry, the contents of which this Bureau can take cognizance of via judicial notice, there are registered marks covering goods in Class 03 where the word SPA is disclaimed, such as EB SPA with Reg. No. 42010000108, BENCH THE SENSORY SPA with Reg. No. 42002008628, SPA GARDEN with Reg. No. 42015006181, SPA BODY WASH FLORAL SPLASH with Reg. No. 41015007620, and SPA BODY WASH HONEY FEEL with Reg. No. 42015007619, which are owned by entities other than the Opposer. Respondent-Applicant's goods, specifically, "soap, face, cream, toner, hand and body lotion, astringent, underarm deodorant, facial scrub, foot care products, cosmetics, hair care products" and "food supplement", are goods considered salon or SPA products. Sec. 123.1 paragraphs (i) and (j) of the IP Code states:

Sec. 123. Registrability. - 123.1. A mark cannot be registered if it:

x x x

(i) Consists exclusively of signs that are generic for the goods or services that they seek to identify;

x x x

(j) Consists exclusively of signs or indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services.

Assuming in arguendo that the word SPA is registrable, still the Respondent-Applicant's mark should not be registered in its favor. Thus, Sec. 123.1 paragraph (d) (iii) of the 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

⁵ <http://www.merriam-webster.com/dictionary/spa>.

- (ii) Closely related goods or services, or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;”

A comparison of the competing marks reproduced below:



Opposer's trademark



Respondent-Applicant's mark

shows that confusion is likely to occur. Both marks have the same word SPA. It is likely, therefore, that a consumer who wishes to buy soaps and cosmetics and/or food supplement and is confronted with the mark SPA (STYLIZED), will think or assume that the mark or brand is just a variation of Opposer's SPA trademarks or is affiliated with the Opposer's.

Succintly, the Respondent-Applicant's trademark application covers goods that are similar to the Opposer's, particularly, soaps, cosmetics and other beauty products. Thus, it is likely that the consumers will have the impression that these goods originate from a single source or origin. 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:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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.⁶

Public interest therefore requires, that 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 a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to

⁶ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

A handwritten signature in blue ink, located in the bottom right corner of the page.

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.⁷


The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1 paragraphs (d) (iii), (i) and (j) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-011721 is hereby SUSTAINED. Let the filewrapper 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, 25 January 2016.



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

⁷ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Eihepa v. Director of Patents*, *supra*, *Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).