

MIM SOCIETE PAR ACTIONS SIMPLIFIEE,
Opposer,

-versus-

RISHI MIRANI,
Respondent-Applicant.

x-----x

} **IPC No. 14-2010-00333**
} Opposition to:
} Appln. Serial No. 4-2010-003014
} Date Filed: 18 March 2010
} **TM: "MIM"**

NOTICE OF DECISION

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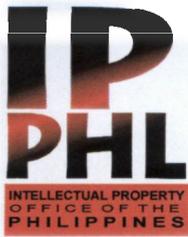
GREETINGS:

Please be informed that Decision No. 2016 - 54 dated February 17, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 17, 2016.

For the Director:

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



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IPC No. 14-2010-00333
 Opposition to:
 Application No. 4-2010-003014
 Date Filed: 18 March 2010
 Trademark: "MIM"
 Decision No. 2016- 54

DECISION

MIM SOCIETE PAR ACTIONS SIMPLIFIEE¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2010-003014. The application, filed by Rishi Mirani² ("Respondent-Applicant"), covers the mark "MIM" for use on "sunglasses" under Class 09, "jewelry, watches" under Class 14, "purses, wallets, belt, handbags" under Class 18, "apparel & shoes, clothing, namely: shirts, t-shirts, dresses, skirts, trousers, coats, sweater, jackets, vests, dressing gowns, shorts, swimsuits, overcoats, rainwear, underwear, pants, underpants, pajamas, stockings, windproof clothing, briefs, jogging suits, neckties, boots, sandals, womens shoes, overshoes, clogs, tongs, lingerie, scarves, hats, accessories for children & accessories for men namely: raincoats, caps, visor, headband, socks, shoes, slippers, sneakers, gloves, necktie, suspender, swimwear, cardigan, sandals, and belts not made of leather" under Class 25 and "hair accessories" under Class 26 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
"GROUNDS

"1. The mark 'MIM' which respondent-applicant seeks to register so resemble/is identical to opposer's trademark 'MIM' which when applied to or used in connection with the goods covered by the application under opposition will likely cause confusion, mistake and deception on the part of the purchasing public.

"2. The registration of the mark 'MIM' in the name of respondent-applicant will violate Section 123.1 (e) of Republic Act No. 8293 ('Intellectual Property Code') which categorically provides that '(a) mark cannot be registered if it:

x x x

"2.1. Thus, any mark which is identical to a well-known mark whether or not registered in the Philippines should be denied registration in respect of similar or

¹A foreign corporation organized and existing under the laws of France, with business address at 53/55 rue Helene Muller, 94320 Thiais, France.
²With address on record at Kampiri Bldg., 2254 Don Chino Roces Ave., Makati City, Metro Manila.
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.

related goods, or if the mark applied for registration nearly resembles such well-known mark that confusion or deception in the mind of the buying public will likely result.

"2.2. The trademark 'MIM' of respondent-applicant is confusingly similar to Opposer's trademark 'MIM' which is a 'well-known' mark within the meaning of Section 123.1 (e) of Republic Act 8293 and hence cannot be registered in the name of Respondent-Applicant.

"3. Opposer's trademark 'MIM' has been used in commerce and registered under International Classes 3, 14, 18 and 25 in France, its Home Country as well as in the rest of the European Community and in other jurisdictions including Asia. It has not been abandoned and the use by respondent-applicant of a confusingly similar mark would likely cause deception, confusion and mistake on the part of the purchasing public, when applied to or used in connection with the goods of the Opposer.

"4. The respondent-applicant intentionally and fraudulently applied registration of the mark 'MIM' to take advantage of the popularity and goodwill generated and connected with the opposer's world-famous 'MIIM' trademark. There are limitless designs and logos available, yet respondent-applicant chose to adopt the 'MIM' mark already made popular by the opposer undoubtedly to confuse, mislead, or deceive purchasers into believing that the goods of respondent-applicant are those of the opposer.

"5. The use and adoption in bad faith by respondent-applicant of the mark 'MIM' would falsely tend to suggest a connection with the opposer and would, therefore, constitute fraud on the general public and further cause dilution of the distinctiveness of the opposer's mark to the prejudice and irreparable damage of the opposer.

"6. The trademark 'MIM' is and ever since its adoption has been continuously applied to products of the opposer. The trademark 'MIM' of the opposer has come to be and is now popularly known throughout the world and in the Philippines such that opposer's products bearing the said mark have become identified as coming from opposer herein. Hence, the tremendous goodwill established by the said mark nurtured through its prior use, the superior quality of its products and public acceptance is an invaluable asset of the opposer that must be protected from trademark infringement, unfair competition, and dilution.

"7. The registration of the trademark 'MIM' in the name of the respondent-applicant will violate Section 6bis and other provisions of the Paris Convention for the Protection of Industrial Property; and GATT-TRIPS Agreement, to which the Philippines and the United Kingdom are parties.

"8. Respondent-applicant's use and registration of the mark 'MIM' will diminish the distinctiveness and dilute the goodwill of opposer's trademark 'MIM'.

"ALLEGATIONS IN SUPPORT OF THE OPPOSITION

"In support of the instant opposition, opposer will rely principally on and prove the following facts:

"1. Opposer is a company organized and existing under the laws of France, with business address at 53/55 rue Helene Muller, 94320 Thiais, France and engaged in the business of fashion retailing with shops throughout France and Belgium. It also operates its internet website, www.mim.fr. through which its products are advertised and for providing product information, identifying store locations, providing online services for purchasing of branded products including products bearing the mark 'MIM'.

"2. Opposer is the owner of the trademark 'MIM' having been the first to adopt the same in trade and commerce as early as 1976 in France, its home country.

"3. Opposer has registered the mark 'MIM' as a trademark in France in 1986 from which registration it secured Community Trade Mark Registration No. 002697092 issued as early as May 2002. Opposer has likewise registered its trademark 'MIM' in several countries around the world including the United Kingdom, Russia, China, India and Turkey.

"4. The mark 'MIM' which respondent-applicant seeks to register is confusingly similar to opposer's registered trademark as likely to cause confusion, mistake and deception to the public as to the source or origin of respondent-applicant's goods.

"5. Opposer has invested a tremendous amount of its resources in the promotion of its 'MIM' trademark as a result of which the said trademark has gained local as well as international popularity and repute. Thus, the use by, and registration in favor of, respondent-applicant of the confusingly similar mark 'MIM' on its goods will enable it to unjustly benefit from Opposer's established reputation and goodwill.

"6. In view of the prior adoption, use and registration of the trademark 'MIM' by the opposer, respondent-applicant is clearly not entitled to register the confusingly similar mark 'MIM'.

"7. The registration of the trademark subject of the instant opposition will undoubtedly violate opposer's rights and interests in its 'MIM' trademark, cause confusion between opposer's and respondent-applicant's businesses and products, and will most assuredly result in the dilution and loss of distinctiveness of opposer's trademark.

x x x

The Opposer's evidence consists of the affidavit of William James Kernan, president and legal representative for MIM of Societe Par Actions Simplifiee, list of Opposer's retail outlets in various countries throughout the world, images of various retail outlets as well as designs for clothing, footwear and headgear as offered for sale in the MIM retail outlets, copies of annual accounts of the Opposer from 2005-2009, copies of advertisement and articles relating to the MIM trademark, copies of applications and registrations of Opposer's trademark MIM in various jurisdictions throughout the world, and examples of the Opposer's publicity produced by the Opposer before the commencement of a new fashion season showing use of the mark MIM.⁴

⁴Marked as Exhibits "A" to "G".

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 15 February 2011. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on Section 123.1, paragraph (e) 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

- (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 the 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;

The competing marks, as shown below, resemble each other such that confusion, or even deception is likely to occur?



Opposer's trademark



Respondent-Applicant's mark

The marks are obviously identical and used on similar and/or closely related goods, particularly, wearing apparel. 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.⁵

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 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.⁶

Records show that at the time the Respondent-Applicant filed its trademark application on 18 March 2010, the Opposer already owns trademark registration nos. 71554 (United Kingdom), 002697092 (Europe), 413915 (Russia), 01 3132594 (France), among others.⁷ These registrations cover cosmetics, leather products, accessories, apparel in Classes 3, 14, 18 and 25. This Bureau noticed that the products indicated in the Respondent-Applicant's trademark application are similar and/or closely-related to the Opposer's. The Respondent-Applicant's filing of their trademark application in the Philippines may be earlier than the Opposer's, but the latter raises the issues of trademark ownership, fraud and bad faith on the part of the Respondent-Applicant.

In this regard, this Bureau emphasizes that it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right of registration. The Philippines implemented the World Trade Organization Agreement "TRIPS Agreement" when the IP Code took into force and effect on 01 January 1998. Art 16(1) of the TRIPS Agreement states:

1. The owner of a registered trademark 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 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

⁵ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

⁶ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepe 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).

⁷ Exhibit "F".

likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Members making rights available on the basis of use.

Clearly, it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators not to recognize the preservation of existing rights of trademark owners at the time the IP Code took into effect.⁸ The registration system is not to be used in committing or perpetrating an unjust and unfair claim. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership. The IP Code implements the TRIPS Agreement and therefore, the idea of "registered owner" does not mean that ownership is established by mere registration but that registration establishes merely a presumptive right of ownership. That presumption of ownership yields to superior evidence of actual and real ownership of the trademark and to the TRIPS Agreement requirement that no existing prior rights shall be prejudiced. In *Shen Dar Electricity Machinery Co., Ltd. v. E.Y. Industrial Sales Inc., Engracio Yap, et. al.*,⁹ the Director General held:

The IP Code adheres to the existing rationale of trademark registration. That is, certificates of registration should be granted only to the real owners of trademarks. While the 'First-to-File' rule is the general rule for trademark applications filed under and governed by RA 8293, it is not to be applied if there is a determination in appropriate proceedings:

1. That the 'first-filer' is not the owner of the trademark or is not authorized by the owner to procure registration of the trademark in his, her, or its favor; or
2. That the adoption and/or use by the 'first-filer' of the trademark, even in good faith, is preceded by an actual use by another, also in good faith, prior to the taking into force and effect of RA. 8293.'

In this instance, the Opposer proved that he is the originator and owner of the contested mark. As stated, "Opposer has registered the mark 'MIM' as a trademark in France in 1986 from which registration it secured Community Trade Mark Registration No. 002697092 issued as early as May 2002. Opposer has likewise registered its trademark 'MIM' in several countries around the world including the United Kingdom, Russia, China, India and Turkey".¹⁰ The Opposer maintains a website, www.mim.fr where its products are advertised, providing information on its products, identifying store locations in France, Belgium, Morocco and Romania, among others, and providing online services for purchasing of branded products in certain countries.¹¹ In

⁸ See Sec. 236 of the IP Code.

⁹ Appeal No. 14-06-09 dated 28 May 2007.

¹⁰ Par. 3 under the facts of the Opposition and Exhibit "A".

¹¹ Exhibits "B" and "C".

contrast, the Respondent-Applicant despite the opportunity given, did not file an Answer to defend their trademark application and to explain how they arrived at using the mark MIM which is exactly the same as the Opposer's. In fact, MIM is not only as a trademark but also part of the Opposer's trade name or business name. Trade names or business names are protected under Section 165 of the IP Code. It is incredible for the Respondent-Applicant to have come up with exactly the same mark for use on similar goods by pure coincidence.

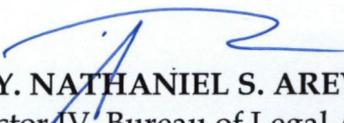
Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.¹²

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.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2010-003014 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, 17 February 2016.


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

¹² *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.