



XU MIN XU,
Petitioner,

-versus-

DEBBIE T. ENGCO,
Respondent-Registrant.

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} **IPC No. 14-2013-00205**
} Petition for Cancellation:
} Reg. No. 4-2011-0013465
} Date Issued: 22 September 2012
} **TM: "EPSA LIGHTNESS**
} **AND DESIGN"**
}
}
}
}

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2016 - 55 dated February 18, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 18, 2016.

For the Director:

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

XU MIN XU,
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X ----- X

IPC No. 14-2013-00205

Petition for Cancellation

Registration No. 4-2011-013465

Date Issued: 22 September 2012

Trademark: **"EPSA LIGHTNESS
AND DESIGN"**

Decision No. 2016- 55

DECISION

Xu Min Xu¹ ("Petitioner") filed a petition to cancel Trademark Registration No. 4-2011-013465. The registration issued on 09 August 2013 to Debbie T. Engco² ("Respondent-Registrant") covers the mark "EPSA LIGHTNESS AND DESIGN" for the use on *"hair color preparations, hair care products namely: shampoo, hair conditioner, hair rebonding solutions, hair wax cream, scalp care shampoo and herbal cream, hair treatment, perfumes, cologne, baby lotion, body spray, baby powder, soap, liquid soap, bubble body wash, bath gel, deodorant, body essential oil, nail polish, face powder, lipstick, blush-on, eye shadow, mascara, loose powder, foundation cake, spa salt, hand and body care solutions"* under Class 03 of the International Classification of Goods.³

The Petitioner contends that the Respondent-Registrant is not entitled to register the mark "EPSA LIGHTNESS AND DESIGN" for goods under Class 03 as the said mark is confusingly similar to his own mark "LIGHTNESS" under Certificate of Registration No. 4-2010-001927 issued on 02 September 2010 also for hair care preparation, hair conditioner, hair treatment, hair bleaching powder, hair colorant, cosmetics, facial creams, sun screen, perfumers, hand cream, bust creams, lipstick, bath and bath soap. According to the Petitioner, he has used his "LIGHTNESS" mark as early as January 2010. He discovered that the Respondent-Registrant is using the mark "EPSA LIGHTNESS AND DESIGN" when several of his customers asked him if the latter's goods was his new product line sometime 2013. After the issuance of his certificate of registration for his "LIGHTNESS" mark, he published a "warning to the public" or "notice to the public" in World News, a newspaper of general circulation with business address in Binondo, Manila. Due to steady and increasing demand for his products, he established Sophia-Marie Cosmetic Products, Inc. as his marketing arm. He likewise uses his trademark on his other products such as Lightness perm lotion papaya, Lightness instantly relaxed coconut series, Lightness rebonding aloe,

¹ A Chinese national, with business address at #490 Jabonero St., San Nicolas, Manila.

² With address at #1295 A. Mabini St., Brgy. 22, Caloocan City.

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

among others. He discovered that the Respondent-Registrant is using the subject mark when two of his customers, Ramon V. del Rosario and Aiza C Santos, asked him of "EPSA LIGHTNESS" was his new product line.

In support of its petition, the Petitioner submitted the following:⁴

1. certified true copy of Registration No. 4-2011-013465 for the mark "EPSA LIGHTNESS AND DESIGN";
2. affidavit of Petitioner;
3. Registration No. 4-2010-001927 for "LIGHTNESS";
4. Declaration of Actual Use for "LIGHTNESS";
5. copy of the publication of a "warning" or notice to the public in New World newspaper;
6. provisional receipt issued by New World;
7. actual product of Lightness perm lotion papaya;
8. affidavit of Ramon V. del Rosario; and
9. affidavit of Aiza C. Santos.

The Respondent-Registrant filed her Answer on 06 September 2013 alleging that the Petitioner cannot appropriate the mark "LIGHTNESS" for being generic or descriptive. It asserts that the said word is a property of a color or a dimension of a color space used to illustrate the quality or state of being illuminated. It maintains that the use of "LIGHTNESS" on goods under Class 03 is deemed common to reasonably indicate and describe the products involved. According to the Respondent-Registrant, the Petitioner's trademark is entirely different from that of her own mark in font and presentation. It also claims to have used "EPSA LIGHTNESS AND DESIGN" since 2009.

The Respondent-Registrant's evidence consists of:⁵

1. Registration No. 4-2010-001927 for "LIGHTNESS";
2. actual product of Lightness;
3. copy of Registration No. 4-2011-013465 for the mark "EPSA LIGHTNESS AND DESIGN";
4. copy of Registration No. 4-2010-001927 for "LIGHTNESS"; and
5. affidavit of Glenda Monreal, with annexes.

Essentially, the issue to be resolved is whether Registration No. 4-2013-013465 should be cancelled.

⁴ Marked as Exhibits "B" to "L", inclusive.

⁵ Marked as Exhibits "1" to "4", inclusive.

Section 138 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides that:

Sec. 138. Certificates of Registration. - A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.

As a holder of a trademark registration, the Respondent-Registrant enjoys, among other things, the presumption of ownership of the mark "EPSA LIGHTNESS AND DESIGN". Thus, the party who seeks cancellation of this trademark registration has the burden to prove compliance with the requirements and existence of the grounds for the revocation as provided for in Section 151 of the IP Code, to wit:

(a) Within five (5) years from the date of the registration of the mark under this Act.

(b) At any time, if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used. If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used.

(c) At any time, if the registered owner of the mark without legitimate reason fails to use the mark within the Philippines, or to cause it to be used in the Philippines by virtue of a license during an uninterrupted period of three (3) years or longer.

In this case, the Petitioner seeks to cancel the subject registration contending that its mark "LIGHTNESS" is confusingly similar to the Respondent-Registrant's "EPSA LIGHTNESS AND DESIGN".

But are the competing marks, as reproduced hereafter, confusingly similar?

LIGHTNESS

Petitioner's mark



Respondent-Registrant's mark

Unquestionably, the competing marks similarly appropriate the words "LIGHTNESS". Although the said term is an ordinary English term, it is not generic or descriptive in relation to hair products, soaps, perfumes and makeup. Therefore, the same may be subject of registration. Since the Respondent-Registrant also uses "LIGHTNESS" in her mark, the addition of the word "EPSA" and the variations in presentation will not eradicate the possibility of confusion and mistake to the purchasing public. After all, confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchased as to cause him to purchase the one supposing it to be the other.⁶ In **Del Monte Corporation vs. Court of Appeals**⁷, the Supreme Court held thus:

"The question is not whether the two articles are distinguishable by their label when set side by side but whether the general confusion made by the article upon the eye of the casual purchaser who is unsuspecting and off his guard, is such as to likely result in his confounding it with the original. As observed in several cases, the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade and giving the attention such purchasers usually give in buying that class of goods is the touchstone."

Succinctly, since the Respondent-Registrant will use or uses the mark "EPSA LIGHTNESS AND DESIGN" on similar or related products to that which the Petitioner uses its mark "LIGHTNESS", the slight differences will not diminish the likelihood of the occurrence of confusion, mistake and/or deception. It is highly probable that the purchasers will be led to believe that Respondent-Applicant's mark is a mere variation of Opposer's mark. Withal, the protection of trademarks as intellectual property is intended not only to preserve the goodwill and reputation of the business established on the goods bearing the mark through actual use over a period of time, but also to safeguard the public as consumers against confusion on these goods.⁸

⁶ Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

⁷ G.R. No. L-78325, 25 January 1990.

⁸ Skechers, USA, Inc. vs. Inter Pacific Industrial Trading Corp., G.R. No. 164321, 23 March 2011.

It is also settled that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. 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*: "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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."⁹

In view of the finding of confusing similarity, the co-existing registration of the Petitioner and Respondent-Registrant is a violation of Section 123.1 (d) of the IP Code, to wit:

"Section 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; x x x"

Records reveal that at the time the Respondent-Registrant was issued Certificate of Registration No. 4-2011-013465 for the subject mark on 22 September 2012, the Petitioner already has an existing registration for the mark "LIGHTNESS" under Certificate of Registration No. 4-2010-001927 issued on 02 September 2010. Thus, the Petitioner's prior registration of his mark "LIGHTNESS" precludes the registration of confusingly similar marks such as "EPSA LIGHTNESS & DESIGN" especially that both marks are being used on identical and/or related goods under Class 03. Therefore, the presumption of validity of the subject registration has been sufficiently overturned.

The Respondent-Registrant asserts that she is owner of the mark. In support thereof, she submitted an official receipt (Exhibit "6") dated 30 December 2009. This Bureau, however, finds that this does not substantially prove her prior ownership over "EPSA LIGHTNESS & DESIGN". At the very most, the said receipt only shows that Wego Merchandise, a business registered under her name, has been selling "EPSA LIGHTNESS" as early as 30 December 2009.

⁹ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

Finally, 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 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.¹⁰ The Respondent-Registrant's trademark fell short in meeting this function.

WHEREFORE, premises considered, the instant petition for cancellation is hereby **GRANTED**. Let the filewrapper of Trademark Registration No. 4-2011-013465 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 18 February 2016.


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

¹⁰ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.