

GERALDINE ANGGALA,
Opposer,

-versus-

SM RETAIL INC.,
Respondent- Applicant.

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} **IPC No. 14-2012-00212**
} Opposition to:
} Appln. Serial No. 4-2012-000184
} Date Filed: 06 January 2011
} **TM: "ELEMENTS"**
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}

NOTICE OF DECISION

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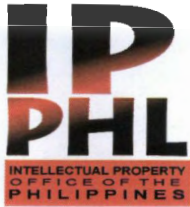
GREETINGS:

Please be informed that Decision No. 2016 - 97 dated April 01, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 01, 2016.

For the Director:

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



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- versus -

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IPC No. 14-2012-00212
Opposition to:

Appln. No. 4-2012-000184
Date Filed: 06 January 2011
Trademark: "ELEMENTS"

Decision No. 2016 - 97

DECISION

GERALDINE ANGGALA ("Opposer")¹, filed an opposition to Trademark Application Serial No. 4-2012-000184. The application, filed by SM RETAIL INC. ("Respondent-Applicant")², covers the mark "ELEMENTS" for use on goods under class 25³ namely: "*k-shirts, tees, woven polo shirts, shorts, capri, pants, jackets, skirt, camdiggers, sleeveless shirts.*"

The Opposer alleges the following grounds for opposition:

"1. The trademark 'ELEMENTS' of the Respondent so resembles the trademark 'ELEMENTS' owned by Petitioner and registered in the Intellectual Property Office under Registration No. 4-2001-003313.

"2. The registration of the Respondent being opposed covers goods under Class 25 particularly shirts, tees, woven polos, shorts, Capri, pants, jackets, skirts, camdiggers and sleeveless shirts.

"3. On the other hand, the Registration of the Opposer also covers goods under Class 25, among others, and refer to practically the same types of goods such as t-shirts, polo shirts, pants, jeans, slacks, jackets, briefs, panties, sweat shirts, jogging suits, swimming trunks, socks, shoes, slippers, sandals and boots.

"4. The registration of the trademark 'ELEMENTS' in the name of the Respondent will violate Sec. 123 of Republic Act No. 8293, otherwise known as the 'Intellectual Property Code of the Philippines.

"5. Respondent's use and registration of the trademark 'ELEMENTS' will diminish the distinctiveness and dilute the goodwill of Opposer's trademark 'ELEMENTS'."

¹ A domestic corporation duly organized and existing under the laws of the Philippines, with office address at 3rd Floor, Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan City, Philippines.

² A domestic corporation, with office address at 2003 Pres. E. Quirino Avenue, Pandacan, Manila, Philippines.

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 and Services for Registration of Marks concluded in 1957.

The Opposer's evidence consists of the following:

1. Respondent-Applicant's Trademark Application No. 420120000184 for the trademark ELEMENTS;
2. Opposer's Certificate of Registration No. 42001003313 for the trademark ELEMENTS;
3. Affidavit executed by Geraldine G. Anggala;
4. Declaration of Actual Use;
5. Photographs of Respondent-Applicant's actual signage in stores of its trademark ELEMENTS; and,
6. Purchase receipt of ELEMENT goods;

On 13 September 2012, Respondent-Applicant filed its Answer, alleging among others, the following:

"5. There is no likelihood of confusion between the mark of respondent-applicant and the mark of opposer considering that:

a) The marks themselves are not confusingly similar as they use different fonts and incorporate various different elements including different symbols, devices and words. Moreover, the over-all presentation of applicant-respondent's 'Elements' mark is markedly different from the registered marks of opposer.

b) The goods of opposer are sold in the Philippines through a different channels of trade. It must be noted that the 'Elements' mark of respondent-applicant are sold only in SM Department Stores while the goods of Opposer are not sold therein. Thus, it is highly unlikely that the goods of Opposer will be confused with the goods of respondent-applicant.

"6. As such, the concurrent registration of the subject mark is not likely to cause confusion, mistake or deception since the over-all commercial impression of the marks are grossly different.

"7. From the allegations in the Opposition, Opposer's main argument in claiming that the marks are confusingly similar with each other are the common use of the generic word 'ELEMENTS'. However, such argument is unavailing considering that:

a) The word 'ELEMENTS' is a generic word which cannot be exclusively appropriated by anyone to the exclusion of all others. x x x

b) In the same manner, the word 'ELEMENTS' is a commonplace term which is far from being distinctive. As such, it cannot be exclusively appropriated by the registrants thereof, to the exclusion of all other users. Being a generic and common word, the degree of exclusiveness attaching to it as a trademark should be closely restricted. Thus, the prior registration of the generic term 'ELEMENTS' as part of a mark should not operated as a bar to the subsequent registration of the word as part of a trademark by other users especially when, as in this case, the presentation of the mark is radically different and distinctive from the previously registered mark.

c) Opposer's mark incorporating the word 'ELEMENTS' is an inherently weak mark entitled to narrow protection as shown by issued registrations or pending application for the same or analogous marks used on identical or related goods. In fact, a cursory search of the Intellectual Property Office database shows that there are at least one hundred and ten (110) other registered or filed trademark applications which make use of the word 'DISCOVERY' as a distinctive feature. These marks include 'US Elements', 'Elements by Goldtoe', 'Escada Elements', 'Elements Water', 'B Elements' and even the word 'Elements' itself owned by a different registrant.

d) Finally, opposer's mark is not inherently distinctive in that purchasers do not associate the word with opposer alone.

"8. Finally, respondent-applicant has absolutely no intention of riding on or taking advantage of whatever goodwill opposer's mark has established, if any. In fact, the concerned officers of respondent-applicant have not even heard of the goods of opposer prior to the filing of the instant Verified Opposition."

During the scheduled Preliminary Conference on 05 February 2013, Opposer failed to appear despite notice.⁴ Thus, the said conference is terminated⁵, and the Opposer has deemed to waived its right to submit position paper. Respondent-Applicant on its part, submitted its position paper on 15 February 2013. Hence, this instant case is submitted for decision.

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

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.⁶

Records show that at the time Respondent-Applicant filed its application for the trademark "ELEMENTS" on 06 January 2011⁷, herein Opposer already has existing registration for its trademark "ELEMENTS with Stylized letter E" under Registration No. 42001003313 for the following classes of goods: 18 - wallet, coinpurse, travelling luggages, suitcases, travelling bags, attache cases, school bags, clutch bags, overnight bags, pilot cases; 21 - lunch box; and, 25 - t-shirts, polo shirts, jeans, slacks, jackets, briefs, panties, belts, caps, suspender, sweatshirts, jogging suits, swimming trunks, socks, swimsuits, shoes, slippers, sandals and boots. In the Philippines, a certificate of registration constitutes a 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.⁸

The competing marks are reproduced below for comparison and scrutiny:



Opposer's Trademark



Respondent-Applicant's Trademark

⁴ Notice of Preliminary Conference dated 04 January 2013.

⁵ Minutes of the Hearing dated 05 February 2013.

⁶ 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).

⁷ Filewrapper records.

⁸ Sec. 138, IP Code.



It appears that the competing marks are phonetically similar, consisting of the identical word "ELEMENTS". Except for the negligible difference consisting of stylized letter "E" in Opposer's trademark, and the stylized red font and the pentagon shaped device of the letter "M" in Respondent-Applicant's trademark, the competing marks are obviously similar. Further, the illustrated marks cover similar and/or related goods, more particularly class 25. Indeed, these goods are found in the same channels of business and trade and/or cater its products to the same segment of consumers.

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 purchaser as to cause him to purchase the one supposing it to be the other.⁹ Colourable imitation does not mean such similitude as amount to identify, nor does it require that all details be literally copied. Colourable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark with that of the other mark or trade name in their over-all presentation or in their essential substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.¹⁰

Also, considering the similarity or relatedness of goods carried by the contending marks, the consumers will have the impression that these products originate from a single source or origin or they are associated with one another. The likelihood of confusion therefore, 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

Cullman 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 and defendant which, in fact does not exist.

Thus, Sec. 123.1 (d) of the IP Code provides:

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;

Corollarily, the public interest 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

⁹ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 200, 356 SCRA 207, 217.

¹⁰ Converse Rubber Corporation v. Universal Rubber Products, Inc., et al., G.R. No. L-27906, 08 January 1987.

¹¹ Id.

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.¹²

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-00184 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, 01 April 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.