

LIVING PROOF, INC.,
Opposer,

-versus-

CONSUCARE INC. SDN, BHD.,
Respondent- Applicant.

x-----x

}
} IPC No. 14-2014-00210
} Opposition to:
} Appln. Serial No. 4-2011-501664
} Date Filed: 03 November 2011
} TM: "LIVING PROOF
} PHYTO-PLACENTA CELL
} CARE BEFORE SKIN CARE"

NOTICE OF DECISION

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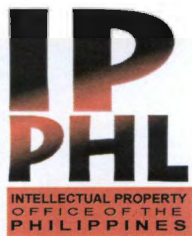
GREETINGS:

Please be informed that Decision No. 2016 - 195 dated June 27, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 27, 2016.

For the Director:

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



LIVING PROOF, INC.,

Opposer,

-versus-

CONSUCARE INC. SDN, BHD.,

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IPC No. 14-2014-00210

Opposition to:
Application No. 4-2011-501664
Date Filed: 03 November 2011
Trademark: "LIVING PROOF
PHYTO-PLACENTA CELL CARE
BEFORE SKIN CARE
Decision No. 2016- 195

DECISION

LIVING PROOF, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2011-0501664. The application, filed by Consucare Inc. SDN. BHD.² ("Respondent-Applicant"), covers the mark "LIVING PROOF PHYTO-PLACENTA CELL CARE BEFORE SKINCARE" for use on "antiperspirant(toiletries); cosmetic preparations for baths; cosmetics; deodorants for personal use; hair dyes; nail care preparations; perfumery; shampoos; cosmetics preparations for skin care; soaps all included in Class 3" under Class 03 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"4. Opposer Living Proof is the registered or beneficial owner of trademarks, which are known internationally, including 'LIVING PROOF, 'I AM THE LIVING PROOF,' 'LIVING PROOF STYLE/LAB', 'WE ARE LIVING PROOF', 'YOU ARE THE LIVING PROOF', 'LIVING PROOF. PERFECT HAIR DAY'. 'WE ARE THE SCIENCE, YOU ARE THE LIVING PROOF' and 'LIVING PROOF - (& Katakana)' (collectively, the 'Opposer's Marks').

"5. The Opposer's Marks are registered in the same or similar class as that of Consucare Mark (i.e. 3-Cosmetics and cosmetic preparations; hair care preparations; non-medicated toiletries).

"6. The Opposer's Marks as shown below:

x x x

¹A corporation duly organized under and governed by the law of Delaware, United States with principal office at 301 Binney Street, Cambridge, Massachusetts 02142.

²A foreign corporation with address at No. 17, Jalan Tsb 2, Taman Lndustri SG. Buloh, Kota Damansara, 47000 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

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.

"7. Opposer Living Proof is filing this Verified Notice of Opposition ('Opposition') pursuant to Republic Act No. 8293, as amended, otherwise known as the Intellectual Property Code ('the IPC'), Sections 122 and 123.1 (d), which protects the well-known trademarks of herein Opposer Living Proof. The registration of the Consucare Mark will clearly cause grave and irreparable damage and injury to herein Opposer Living Proof who is entitled to relief under the law.

"8. As such, Opposer Living Proof is entitled to protection as the owner of well-known trademarks under Article 6bis and other pertinent provisions of the Paris Convention for the Protection of Industrial Property and Sections 123.1 (e) and (f) of the IPC.

"9. Opposer's trademarks are internationally well-known and recognized for the innovative products it represents and for the fact that Opposer was founded by scientists:

x x x

"10. It well settled that the fundamental cornerstones of trademark law are the principles of business integrity and common justice.

"11. The Supreme Court noted in the case of 'La Chemise Lacoste, S.A. v. Hon. Fernandez' that no one is permitted to imitate an internationally recognized trademark, and then profit from his illegal act.

"12. In fact, in *Mirpuri v. Court of Appeals*, the Supreme Court held that:

x x x

"13. The purpose of Article 6bis of the Paris Convention has been held to be:

x x x

"14. In this case, allowing the registration of the Consucare Mark will result in unfair competition and will be prejudicial to the interests of the public as well since the public will assume the Consucare's products are that of Opposer Living Proof.

"15. As shown earlier, Opposer Living Proof's trademarks have been registered with the Trademark Office of the United States, and in various parts of the world, and are internationally well-known, and have become distinctive of its business and goods through its long and exclusive commercial use.

"16. According to Section 123(e) of the IP Code, for 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.

"17. For example, Procter and Gamble began using the LIVING PROOF mark in many countries as early as 1988. Opposer Living Proof's use, through original owner Procter & Gamble, predates any use of the mark by Consucare.

A copy of the Trademark Purchase Agreement between Opposer Living Proof is hereto attached as Annex 'NNN.'

"18. Within the industry, Opposer Living Proof and its products are known for being award winning, having won over 45 industry awards, including winning twice the Allure Best Beauty Breakthrough Award as well as the prestigious Edison Award, twice. The Edison Awards focus on the innovators as much as the innovations and honor excellence in new product development, marketing, design and innovation.

"19. In addition, as mentioned previously, Opposer Living Proof's products have been registered all over the world and its products can be bought through the following retail chains:

x x x

"20. Opposer Living Proof has also sold its products other establishments located in (a) Riga, Latvia, (b) Vilnius, Lithuania and (c) Klaipeda, Lithuania.

"Copies of the invoices are hereto attached as Annexes 'OOO to SSS.'

"21. Sample displays and website promotions of the products of Opposer Living Proof being sold are shown below:

x x x

"22. In addition to the above, the products of Opposer Living Proof are also being distributed and sold through sales agents in other countries. Opposer Living Proof recently conducted its launching and training events in the following countries:

x x x

"23. In fact, the products of Opposer Living Proof were featured in various publications.

"24. Opposer Living Proof has the right to prevent Consucare from using an identical or similar mark for similar products or services or those of the same class (i.e. Class 3). This protection extends even to goods or services not similar to those in respect of which Opposer's marks are registered, consistent with Section 147.2 of the IPC.

"25. The Consucare Mark is confusingly similar to Opposer's Marks since it makes use of Opposer's trademark 'Living Proof', as follows:

x x x

"26. The Consucare Mark makes use of the words 'Living Proof' and it only differs from Opposer's Living Proof mark in terms of font.

"27. Consucare's act of utilizing the words 'Living Proof' creates the same overall impression as the internationally well-known 'Living Proof' mark of Opposer. In fact, the Consucare Mark closely resembles Opposer's Marks.

"28. Clearly, Consucare is riding on the popularity and goodwill of the Opposer's marks and thus, Consucare deceives and/or confuses the purchasing public to believe that its business and services are the same as or connected with the business, goods and services offered by Opposer Living Proof its subsidiaries, agents and licensees.

"29. The products of Opposer Living Proof have been met with universal acclaim.

x x x

"30. Considering the aforementioned, it is thus evident that the approval of the application in question will undoubtedly cause great and irreparable damage and injury to Opposer Living Proof.

"31. There will be confusion between Opposer Living Proof's products and those of Consucare, to the detriment of Opposer Living Proof.

"32. According to the Supreme Court, in the case of Fredco Manufacturing Corp. v. President and Fellows of Harvard College, that:

x x x

"33. In the case at bar, both the Consucare Mark and Opposer's Marks are in the same category (i.e. Cosmetics and cosmetic preparations; hair care preparations; non-medicated toiletries). It is beyond a doubt that the goods are identical or confusingly similar.

"34. According to the website of Consucare, it is:

x x x

"35. There is no doubt that Consucare's products belong to the same category as that of Opposer Living Proof and that is similar to that of Opposer Living Proof's products.

"36. Pursuant to Section 147 of the IPC, the ownership of Opposer Living Proof of its said internationally well-known marks confers upon it: (a) the exclusive right to prevent all third parties from using in the course of trade identical or similar signs or containers of goods or services which are identical or similar to those in respect of which the mark is registered, where such would result in a likelihood of confusion, presumed in case of the use of an identical sign for identical goods and services and (b) the exclusive right to prevent all third parties from using in the course of trade goods and services not similar to those in respect of which the internationally well-known marks of the Opposer's Marks are registered, where the use of the mark would indicate a connection between those goods and services and petitioner, whose interests are likely to be damaged by such use.

"37. The Consucare Mark is confusingly similar to the Opposer's Marks. As a result of this, Consucare is able to ride on the popularity and goodwill of the Opposer's marks and confuse the purchasing public to believe that Consucare's business and services are the same as or connected with the business, products and services offered by Living Proof, its affiliates and subsidiaries.

"38. Opposer Living Proof has painstakingly built the prestige and goodwill of its internationally known mark through the years. It will be grossly unjust and unfair to allow Consucare to unjustly benefit from the acts of Living Proof.

The Opposer's evidence consists of copies of Certificates of Registrations for the word mark LIVING PROOF issued by Argentina, Australia, Bahrain, Canada, Chile, China, Colombia, Croatia, Ecuador, European Community, Hong Kong (SAR), Indonesia, World Intellectual Property Organization, Israel, Italy, Japan, Jordan, South Korea, Laos, Mexico, New Zealand, Russia, Serbia, Singapore, Switzerland, Taiwan,

United States, Venezuela and Vietnam; copies of Certificates of Registration for the mark I AM LIVING PROOF issued by Australia, European Community, World Intellectual Property Organization, South Korea and Mexico; copies of Certificates of Registration for the mark I AM THE LIVING PROOF issued by World Intellectual Property Organization and Japan; copies of Certificate of Registration for the mark LIVING PROOF STYLE/LAB issued by European Community, Hong Kong (SAR), World Intellectual Property Organization and Singapore; copies of Certificates of Registration for the mark WE ARE LIVING PROOF issued by Australia, European Community, World Intellectual Property Organization, South Korea, Mexico and United States of America; copies of Certificates of Registration for the mark YOU ARE THE LIVING PROOF issued by Australia, European Community, World Intellectual Property Organization, Japan, South Korea, Mexico and United States of America; copies of Certificates of Registration for the mark LIVING PROOF. PERFECT HAIR DAY issued by Australia, World Intellectual Property Organization, Japan, South Korea, Mexico and United States of America; copies of Certificates of Registration for the mark WE ARE THE SCIENCE, YOU ARE THE LIVING PROOF issued by Australia, World Intellectual Property Organization and United States of America; copy of Certificate of Registration for the mark LIVING PROOF (&KATAKANA) issued by Japan; copy of the Trademark Purchase Agreement between Opposer Living Proof and The Procter & Gamble Company; and copies of invoices for products of Opposer sold in establishments located in Latvia and Lithuania.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 18 August 2014. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark LIVING PROOF PHYTO-PLACENTA CELL CARE BEFORE SKINCARE & DEVICE?

The Opposer anchors its opposition on Sections 123.1, paragraphs (d), (e) and (f), 147.1 and 147.2 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;"

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

- (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;

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.

147.2. The exclusive right of the owner of the well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: *Provided*, That use of that 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.

A comparison of the competing marks reproduced below:



Opposer's trademark



Respondent-Applicant's mark

shows that confusion is likely to occur. What draws the eyes and the ears with respect to the Respondent-Applicant's mark are the words "LIVING PROOF". "LIVING PROOF" is the prominent, in fact, the definitive feature of the Opposer's trademarks LIVING PROOF, I AM LIVING PROOF, I AM THE LIVING PROOF, LIVING PROOF STYLE/LAB, WE ARE LIVING PROOF, YOU ARE THE LIVING PROOF, Living Proof.



Perfect Hair Day, WE ARE THE SCIENCE. YOU ARE THE LIVING PROOF. and LIVING PROOF (& Katakana). These registrations cover "*cosmetic preparations for skin care; cosmetic skin care preparations for treating wrinkles; skin moisturizers; skin lighteners; anti-aging toners and moisturizers, hair care preparations; hair cleaning preparations; hair styling preparations*" under Class 03, product or goods which the Respondent-Applicant deals in under the mark LIVING PROOF PHYTO-PLACENTA CELL CARE BEFORE SKINCARE & DEVICE. It is likely therefore, that a consumer who wishes to buy cosmetics and hair care preparations and is confronted with the mark LIVING PROOF PHYTO-PLACENTA CELL CARE BEFORE SKINCARE & DEVICE, will think or assume that the mark or brand is just a variation of or is affiliated with the Opposer's LIVING PROOF trademarks.

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 even 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

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 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.

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



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.⁶ 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.*,⁷ 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, "Living Proof was founded by Dr. Robert Langer, Institute Professor of MIT and by Jon Flint and Amir Nashat of Polaris Venture Partners, a leading venture capital firm that supports the translation of scientific discoveries into meaningful products. Living Proof has distinguished itself by attracting world class scientists and utilizing advanced scientific technologies that originated from MIT to solve women's toughest beauty problems".⁸ Opposer has likewise registered its LIVING PROOF trademarks in several countries around the world including the United States, Australia, Canada and European Community.⁹ In 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 LIVING PROOF PHYTO-PLACENTA CELL CARE BEFORE SKINCARE & DEVICE which is

⁶ See Sec. 236 of the IP Code.

⁷ Appeal No. 14-06-09 dated 28 May 2007.

⁸ <http://www.bloomberg.com/bb/newsarchive/aR1AvxZA5ydU.html>

⁹ Annexes "A" to "MMM" of Opposer's.

identical or closely-resembles that of the Opposer's. In fact, LIVING PROOF 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.¹⁰


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.

There is no doubt, therefore, that the subject trademark application is covered by the proscription under Sec. 123.1 (d) (iii) and Section 165 of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2011-501664 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, 27 JUN 2016.


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

¹⁰ *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.