

ECOLAB INCORPORATED,
Opposer,

-versus-

DIKOVSKIY VLADIMIR ANATOLIEVICH,
Respondent- Applicant.

X-----X

} **IPC No. 14-2011-00277**
}
} Opposition to:
} Appln. Serial No. 4-2011-500257
} Date Filed: 21 February 2011
} **TM: "ECOKLAV"**
}
}
}

NOTICE OF DECISION

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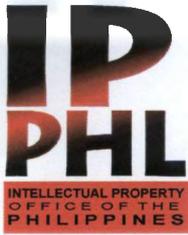
GREETINGS:

Please be informed that Decision No. 2016 - 93 dated March 31, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 31, 2016.

For the Director:


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



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 -versus- }
 DIKOVSKIY VLADIMIR ANATOLIEVICH, }
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IPC No. 14-2011-00277
Opposition to:
Application No. 4-2011-500257
Date Filed: 21 February 2011
Trademark: "ECOKLAV"
 Decision No. 2016- 93

DECISION

ECOLAB INCORPORATED¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2011-500257. The application, filed by Dikovskiy Vladimir Anatolievich² ("Respondent-Applicant"), covers the mark "ECOKLAV" for use on "*pharmaceutical veterinary and sanitary preparations; nutritional additives for medical purposes; additives for fodder for medical purposes; dietetic substances adapted for medical use, food for babies; mineral food substances; bacterial preparations for medical, pharmaceutical and veterinary purposes; nutritive substances for microorganisms; media for bacteriological cultures; chemical reagents for medical or veterinary purposes; biological preparations for veterinary purposes; biological preparations for medical purposes; chemical preparations for medical purposes; chemical preparations for veterinary purposes*" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"III
 "STATEMENT OF FACTS

"4. The Opposer is the owner of the internationally well-known ECOLAB mark by prior actual use in commerce and prior registration in the Philippines.

"4.1 A copy of the Certificate of Registration No. 47086 issued by this Honorable Office for the Opposer's internationally well-known ECOLAB mark is hereto attached x x x.

¹A foreign corporation organized and existing under the laws of the United States of America with principal address at Ecolab Center, St. Paul, Minnesota, U.S.A.

²A foreign corporation with address at Russia, 143083, Moskovskaja Oblast, Odintsovskiy Rajon, Derevnja Shulgino Ul, Novaja, 42 Russian Federation.

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.

"4.2 The Opposer has been using its internationally well-known ECOLAB mark since October 05, 1986 in the United States and since June 08, 1987 in the Philippines.

"5. The Opposer has been extensively promoting and selling its goods/products bearing its internationally well-known ECOLAB mark worldwide and has been doing so prior to the Respondent-Applicant's filing its trademark application for ECOKLAV with this Honorable Office.

"6. As a result of its extensive promotion, marketing, sales and due to the excellent quality of the Opposer's goods/products, the Opposer has built and now enjoys valuable goodwill in its business as represented by its internationally well-known ECOLAB mark. Further, the internationally well-known mark ECOLAB has become distinctive for the Opposer's goods/products sold in commerce all over the world.

"7. Notwithstanding the prior use and prior registration of the Opposer's internationally well-known ECOLAB mark, the Respondent-Applicant filed Trademark Application No. 4-2011-500257 for ECOKLAV ON February 21, 2011 with this Honorable Office.

"8. The Opposer has not consented to the Respondent-Applicant's use and registration of the mark ECOKLAV, or any other mark identical or similar to its internationally well-known ECOLAB mark for that matter.

"IV

"GROUNDS IN SUPPORT OF THIS OPPOSITION

"9. The Respondent-Applicant's application for registration of the mark ECOKLAV should not be given due course by this Honorable Office because it is contrary to Section 123.1 (d) and Section 123.1 (f) of the Intellectual Property Code, which prohibits the registration of a mark that:

x x x

"10. The act of the Respondent-Applicant in adopting the mark ECOKLAV is clearly an attempt to trade unfairly on the goodwill, reputation and awareness of the general public of the Opposer's internationally well-known ECOLAB mark that was previously registered before this Honorable Office more than two decades ago, and would result in the diminution of the value of the Opposer's internationally well-known trademark ECOLAB.

"11. The Respondent-Applicant's mark is identical to the Opposer's internationally well-known ECOLAB mark that was previously registered in the Philippines and elsewhere in the world. Hence, the registration of the mark ECOKLAV will violate Section 123.1 (d) of the Intellectual Property Code of the Philippines.

"11.1. The Opposer's and Respondent-Applicant's marks are identical in that both marks:

1. "Consist of three syllables.
2. "The first two syllables of both marks is 'ECO'.
3. "The first three letters of both marks are 'E', 'C', 'O' to spell the word 'ECO'.

4. "The second to the last letter of both marks is the letter 'A'.
5. "The third to the last letter of both marks is the letter 'L'.
6. "'LAB' and 'LAV', when pronounced sound alike, especially with the Filipinos' penchant for interchanging the pronunciation of the letter 'B' for the letter 'V', and vice versa.

"11.2. A cursory glance at both marks may make it appear as though the Respondent-Applicant's ECOKLAV mark is the same as the Opposer's internationally well-known ECOLAB mark, and hence, may cause confusion. Moreover, the Respondent-Applicant's ECOKLAV mark may be believed to be derived from or associated with the Opposer's internationally well-known ECOLAB mark or may falsely suggest to the public that goods bearing the ECOKLAV mark originate from the Opposer.

"12. Evidently, the Respondent-Applicant's mark may cause confusion in the minds of the consumers, by usurping the mark ECOLAB, a mark legally owned by the Opposer, and passing off its own products, as those manufactured, distributed, marketed and/or sold by the Opposer.

"12.1 By the Respondent-Applicant's attempt to register and use the ECOKLAV mark, the Respondent-Applicant seeks to take advantage of the worldwide reputation of the Opposer, gained through ingenious and persistent marketing and the expenditure of large sums of money over the past twenty five years, by confusing and misleading the trade and the consuming public, in suggesting to them that the Respondent-Applicant's products are those being sold or are approved and endorsed by the Opposer.

"13. The use and registration of the mark ECOKLAV by the Respondent-Applicant will dilute the distinctive character of the Opposer's internationally well-known ECOLAB mark and will result in an unfavorable association with the Opposer's internationally well-known ECOLAB mark in violation of Section 123.1 (f) of the Intellectual Property Code of the Philippines.

x x x

The Opposer's evidence consists of the affidavit of Mr. Edward R. Courtney, Senior Trademark Attorney of Ecolab Incorporated; copy of the authority of Mr. Edward R. Courtney to sign powers of attorney, agreements, affidavits in behalf of the corporation; affidavit of Mr. Roberto B. Dimayuga, Marketing Manager of Ecolab Philippines; copies of certificates of registration for the mark "ECOLAB"; and marketing materials used by Ecolab Philippines Inc.⁴

⁴Marked as Exhibits "A" to "G", inclusive.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 28 November 2011. The Respondent-Applicant filed its Answer on 27 January 2012 and avers the following:

x x x

"Defenses

"Respondent-Applicant repleads the foregoing and further states:

"30. Opposer claims that the application for registration of the mark ECOKLAV should not be given due course by this Honorable Office because it is contrary to Sections 123.1(d) and 123.1(f) of R.A. 8293 or the Intellectual Property Code (IP Code) which states:

x x x

"Opposer insists that the adoption of the mark ECOKLAV is 'an attempt to unfairly trade on the goodwill and awareness of the general public of the Opposer's internationally known ECOLAB mark that was previously registered before the Honorable Office' and 'would result in the diminution of the value of the Opposer's trademark.'

"31. Opposer's argument is misplaced because the trademark 'ECOLAB' is not a well-known mark. Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Tradenames, and Marked or Stamped Containers ('Trademark Rules') enumerates the parameters for a mark to be considered well-known, viz:

x x x

"Opposer failed to show that the 'ECOLAB' mark is well-known because it did not present competent evidence to show that the marks meet the stringent criteria provided under the IP Code.

"32. Opposer argues that Exhibits 'C,' 'D,' 'E,' 'F(series)' and 'G(series)' of the Opposition will show that (1) the Opposer's mark is internationally well-known, (2) the ECOKLAV mark is identical and confusingly similar to the Opposer's internationally known mark, (3) the registration will cause confusion, mistake or deception to the public as to the source of the goods and falsely suggest a trade connection between the Opposer and the Respondent-Applicant, and (4) the registration of the Respondent-Applicant's mark will dilute the distinctive character of the Opposer's internationally known ECOLAB mark. Unfortunately, however, Opposer offered nothing more than bare and unsubstantiated allegations.

"33. Exhibit 'C' is an affidavit of the Senior Trademark Attorney, Mr. Edward R. Courtney, attesting to the dates when the ECOLAB mark was first used and registered in the United States, and claim that 'copies of some of the certificates of registration of the company's mark ECOLAB contained throughout the years are attached as 'Annex B' of 'this affidavit.' However, none of these alleged registrations can be found on the Opposer's Exhibit 'C.' Mr. Courtney further claims that he is 'familiar with the company's records and has spent approximately \$10,000,000 US DOLLARS on marketing and promoting the mark ECOLAB and approximately \$25,000 US DOLLARS per year in the Philippines evidenced by the ad materials attached to this affidavit.' Again, Opposer's Exhibit 'C' does not contain such records or any evidence to prove the extent

of the marketing campaign of the Opposer. No receipts, advertisement clippings, news articles, market test research data were presented to even attempt to show the alleged extent of its marketing campaign.

"32. Exhibit 'D' is a mere photocopy of the authority of Mr. Courtney to sign powers of attorney, agreements, affidavits in behalf of the corporation. This document does not in any way prove the truth of the averments and allegations either in the Opposition or the affidavit of Mr. Courtney.

"33. Opposer then presented Exhibit 'E,' which is the affidavit of Roberto B. Dimayuga, the Marketing Manager of Ecolab Philippines. Mr. Dimayuga claims that 'from his experience, a junior user who seeks to unfairly trade on the name of a prior user that has built up his reputation and acquired goodwill tends to choose a trademark that sounds or looks similar to that to a market leader to create an association with a prior user in order to break into the market and acquire market share.' Again, other than self-serving statements, Opposer presented no other evidence to prove such allegations.

"34. Opposer's Exhibits 'F' to 'F series,' on the other hand, are photocopies of certificates of trademark registration of ECOLAB in the United States, Hong Kong, France, Mexico, Russian Federation, South Africa, Switzerland, Taiwan and Thailand. These uncertified certificates of registration are not enough to prove the worldwide extent and use of the Opposer's mark. Furthermore, a closer scrutiny of the photocopies of these certificates show that the registration of the Opposer's mark have already lapsed or expired.

"35. Exhibits 'F' to 'F-6' are copies of trademark registrations for ECOLAB in the United States. These exhibits do not explicitly indicate an expiration date; but Exhibit 'F' states that the mark has been registered in 1988, and Exhibits 'F-1' to 'F-6' in 1989. According to US Trademark laws, a valid US registration is valid only for ten (10) years unless so renewed. Without any other document presented or submitted by the Opposer to show that the registration in the United States is still valid, Respondent-Applicant is left with no recourse but to assume that the same have already lapsed.

"36. The Hong Kong registration (Exhibit 'F-8') states that the registration is valid for a period of seven years from the date first above-mentioned, (which is 17 October 1986). Hence, unless timely renewed, Opposer's Hong Kong registration was subsisting only until 17 October 1993. Having neither pleaded nor proved renewal, Opposer's Hong Kong trademark registration is deemed to have lapsed.

"37. The Opposer's registration in France (Exhibit 'F-13') is not even accompanied by an official English translation, but only a correspondence from its trademark correspondent. The letter states that the renewal date of the registration is on 23 October 1996. The registration from Russian Federation (Exhibit 'F-15') states that the registration of the Opposer's trademark is only valid up to 3 December 2006. Since Opposer failed to show its renewal, it must likewise be considered as expired or lapsed.

"38. The registration in South Africa (Exhibit 'F-16') states that the trademark was registered in 3 May 1995, and was valid for ten (10) years. The Swiss registration (Exhibit 'F-17') as provided state that the same is to be renewed on 9 October 2006. Similarly, the Taiwanese registration (Exhibit 'F-18') says that the period of exclusive use is from 16 February 1989 up to 31 January 1999, while the registration in Thailand (Exhibit 'F-19') cites the expiration date of the registration is on 12 November 1996.

"39. Having neither shown nor proved renewal, Opposer's above-named trademark registrations are deemed to have lapsed and should not be given consideration by this Honorable Office.

"40. Opposer's registration in Mexico (Exhibit 'F-14') is unaccompanied by an English translation, but with an unsigned print out of the particulars of the registration which states that the registration was done in July 12, 2002. Section 7 (b) of the Regulations on Inter Partes Proceedings however provides that:

x x x

"Hence, it is clear that Exhibit 'F-14' or the Opposer's Mexican registration should not be admitted as evidence for violating Section 7(b) of the Regulations on Inter Partes Proceedings.

"41. In its attempt to present evidence to show that Respondent-Applicant seeks to take advantage of the worldwide reputation of the Opposer, the latter attached photographs and photocopies of product descriptions of its goods. However, it appears that the photographs were taken at single trade exhibition if one will take a close look at the booth's set up and the clothing of the marketing representatives. No information was given as to when or where the exhibition was held. Also there was no description or explanation given how, when or if the alleged product literature were distributed.

"42. Needless to say, one booth at a trade fair and photocopies of product descriptions are insufficient to support claims of extensive ECOLAB promotion, spending \$25,000.00 US DOLLARS per year in the Philippines for advertising and marketing costs. The insufficiency of promotional materials for ECOLAB can only be taken to mean that the ECOLAB trademark is not well-known in the Philippines or in other parts of the world.

"43. This Honorable Office's Decision of United States Polo Association vs. Meryll Lyn Y. Dy, wherein this Honorable Office rejected the argument that the 'POLO' mark is well-known, is enlightening:

x x x

"44. It is quite obvious that the Opposer's mark is not well-known, hence it cannot claim that the Respondent-Applicant's registration of the ECOKLAV mark was in violation of Sections 123.1 (d) and (f) of the Intellectual Property Code. In other words, there was no impediment to the registration of Respondent-Applicant's mark and there is no basis for the Opposer to claim that the registration of the mark was in violation of the IP Code.

"45. In arguing that the Respondent-Applicant's application for the ECOKLAV mark should not be given due course, Opposer cited Section 123.1 (d) of the IP Code and claimed that the mark cannot be registered because they are identical and will cause confusion in the minds of the consumer. Even assuming arguendo that there is a resemblance between ECOLAB and ECOKLAV marks, the likelihood of confusion is unlikely or remote.

"46. It is clear under Section 123.1 (d) that the similarity must be with respect to (i) same goods or services or (ii) closely related goods or services. Here, Ecolab's trademark registration belongs to Class 3 of the Nice Classification for Goods and

Services specifically, 'SOAPS, DETERGENTS & CLEANING PREPARATIONS, GLASS CLEANING PREPARATIONS, SPOT REMOVERS, FLOOR WAXES & POLISHERS AND AMONIA FOR CLEANING PURPOSES.' On the other hand, the trademark application for 'ECOKLAV' word mark covers Class 5 of the Nice Classification, or 'PHARMACEUTICAL VETERINARY AND SANITARY PREPARATIONS; NUTRITIONAL ADDITIVES FOR MEDICAL PURPOSES; DIETETIC SUBSTANCES ADAPTED FOR MEDICAL USE, FOOD FOR BABIES, MINERAL FOOD SUPPLEMENTS; BACTERIAL PREPARATIONS FOR MEDICAL PHARMACEUTICAL AND VETERINARY PURPOSES; NUTRITIVE SUBTANCES FOR MICROORGANISMS; MEDIA FOR BACTERIOLOGICAL CULTURES; CHEMICAL REAGENTS FOR MEDICAL OR VETERINANRY PURPOSES; CHEMICAL PREPARATIONS FOR PHARMACEUTICAL PURPOSES; CHEMICAL PREPARATIONS FOR MEDICAL PURPOSES. CHEMICAL PREPARATIONS FOR VETERINARY PURPOSES.'

"47. In other words, the goods covered by the Opposer's mark are not similar or even closely related with those of Respondent-Applicant. Hence, Section 123.1 (d) is not a valid ground for the Opposition. The Court in Societe des Produits Nestle, S.A. vs. Martin Dy, held that in order to determine whether or not goods are related the following must be considered: (1) classification of the goods; (2) nature of the goods; (3) descriptive properties, physical attributes or essential characteristics of the goods, with reference to their form, composition, texture or quality; and (4) style of distribution and marketing of the goods, including how the goods are displayed and sold.

"48. The Supreme Court in the earlier case of Mighty Corp et. al vs. E & J Gallo Winery et. al. G.R. No. 154342 (14 July 2004) enumerated in detail the criteria in determining whether there can be a likelihood of confusion, such as (citations omitted):

x x x

"49. Obviously, the products covered by 'ECOLAB' and 'ECOKLAV' are used for different purposes, sold through different channels of trade, and cater to different markets. Hence, there is no basis in the Opposer's claim that the ECOKLAV's registration is likely to cause confusion.

"50. Respondent-Applicant's goods are even packaged differently. The World Health Organization provided guidelines on the proper storage and packaging of pharmaceutical products, pharmaceutical supplies, in relation to the stability of pharmaceutical and the potential for counterfeiting.. Moreover, Respondent-Applicant's goods are kept in sterile containers or in temperature-controlled environments to maintain integrity and stability. ECOKLAV products are also bought from laboratories, drug stores by chemists, medical technologists, veterinarians, doctors and other medical professionals and are used for treating patients or for scientific experiments.

"51. On the other hand, Opposer's goods under the ECOLAB mark are usually packaged and sold in this country by bulk, in PVC bottles and marketed as cleaning agents, or for sanitizing and disinfecting.

"52. The Supreme Court held in Mighty Corp et. al vs. E & J Gallo Winery et. al. (supra) that:

x x x

"53. In sum, Opposer miserably failed to prove that ECOLAB is an internationally well-known mark, thereby Opposer failed to prove that the instant

application violates Section 1231.1 (d) and (f) of the IP Code. Neither will the registration of the ECOKLAV mark create confusion among groups to which they cater to, because the products are sold through different channels of trade, for very different purposes, and are not ordinarily purchased in the market, and supplied to very distinct and specialized markets.

The Respondent-Applicant's evidence consists of a copy of Respondent-Applicant's trademark application for the mark "ECOKLAV"; and, the power of attorney appointing Anthony D. Bengzon, Ferdinand M. Negre and Michael Z. Untalan, Bengson Negre Untalan and/or their employees, as true and lawful attorneys in connection with this opposition case.⁵

The Preliminary Conference was terminated on 20 March 2013. Then after, the Opposer and Respondent-Applicant submitted their respective position papers.

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

The Opposer anchors its opposition on Sections 123.1, paragraphs (d) and (f) 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 xx

- (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;"

- (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 services 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;

Records show that at the time the Respondent-Applicant filed its trademark application, the Opposer has an existing trademark registration for the mark ECOLAB under Certificate of Registration No. 47086 issued on 18 December 1989. The registration covers soaps, detergents & cleaning preparations such as dishwashing &

⁵ Marked as Exhibits "1" to "6", inclusive.

laundry preparations, glass cleaning preparations, spot removers, floor waxes & polishers and ammonia for cleaning purposes under Class 03. On the other hand, the Respondent-Applicant filed the trademark application subject of the opposition on 21 February 2011. The application covers pharmaceutical veterinary and sanitary preparations; nutritional additives for medical purposes; additives for fodder for medical purposes; dietetic substances adapted for medical use, food for babies; mineral food substances; bacterial preparations for medical, pharmaceutical and veterinary purposes; nutritive substances for microorganisms; media for bacteriological cultures; chemical reagents for medical or veterinary purposes; biological preparations for veterinary purposes; biological preparations for medical purposes; chemical preparations for medical purposes; chemical preparations for veterinary purposes under Class 05.

The marks are shown below:

ECOLAB

ECOKLAV

Opposer's trademark

Respondent-Applicant's mark

This Bureau noticed that the products covered by the marks have different preparations. Designated as ECOKLAV, Respondent-Applicant's products are pharmaceutical preparations. Opposer's products covered under ECOLAB are cleaning preparations. However, confusion is likely in this instance because of the close resemblance between the marks and that the goods are both chemical and sanitary preparations. Both marks have the same prefix ECO and the same number of syllables: /ECO/LAB for Opposer's and /ECOK/LAV for Respondent-Applicant's. It could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"⁶, "SAPOLIN" and LUSOLIN"⁷, "CELDURA" and "CORDURA"⁸, "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

⁶ *MacDonalds Corp, et. al v. L. C. Big Mak Burger*, G.R. No. L-143993, 18 August 2004.

⁷ *Sapolin Co. v. Balmaceda and Germann & Co*, 67 Phil, 705.

⁸ *Co Tiong SA v. Director of Patents*, G.R. No. L- 5378, 24 May 1954; *Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co.* (1946), 154 F. 2d 146 148.)

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.⁹

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

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2011-500257 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, 31 March 2016.


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

⁹ *Marvex Commerical Co., Inc. v. Petra Hawpia & Co., et. al.*, G.R. No. L-19297,22 Dec. 1966.