

EMERSON ELECTRIC CO.,
Opposer,

-versus-

METCHEM BUSINESS SOLUTIONS INC.,
Respondent- Applicant.

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IPC No. 14-2012-00589
Opposition to:
Appln. Serial No. 4-2012-002841
Date Filed: 07 March 2012
TM: "RIDGID"

NOTICE OF DECISION

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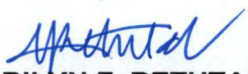
METCHEM BUSINESS SOLUTIONS, INC.
Respondent- Applicant
1354 Perez Street, Ermita
Manila

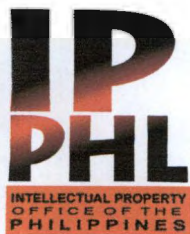
GREETINGS:

Please be informed that Decision No. 2016 - 414 dated November 16, 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPIL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, November 16, 2016.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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- versus -

**METCHEM BUSINESS SOLUTIONS
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Respondent-Applicant.

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IPC No. 14-2012-00589
Opposition to:

Appln. No. 4-2012-002841
Date Filed: 07 March 2012
Trademark : **"RIDGID"**

Decision No. 2016 - 414

DECISION

EMERSON ELECTRIC CO. ("Opposer")¹, filed a verified opposition to Trademark Application Serial No. 4-2012-002841. The application, filed by METCHEM BUSINESS SOLUTIONS INC. ("Respondent-Applicant")², covers the mark "RIDGID" for use on goods under class 09³ namely: "ATM cladding, ATM pin pad cover, ATM LCD monitor."

The Opposer alleges the following grounds for opposition:

"I. The registration of the mark 'Ridgid' subject of this opposition is contrary to the provisions of Section 123.1 (f) of the IP Code.

i. Opposer is the first to adopt, use and register the word mark RIDGID which is well-known internationally and in the Philippines across various industries.

ii. The registration and use of the exact same mark, 'Ridgid,' by Respondent-Applicant will likely cause confusion by falsely indicating a connection between the Respondent-Applicant's goods and Opposer thereby causing damage and prejudice to Opposer.

iii. The registration of the exact same mark 'Ridgid' is in bad faith.

"II. The registration of the exact same mark 'Ridgid' subject of this opposition is contrary to the provisions of Section 123.1 (d) of the IP Code."

¹ A corporation duly organized and existing under the laws of Missouri, USA, with address at 8000 West Florissant Avenue, St. Louis, Missouri 63136. Opposer directly and wholly owns Ridge Tool Company, a corporation organized and existing under the laws of Ohio, USA. Opposer also wholly owns Ridgid, Inc., while its subsidiary, Ridge Tool, directly and wholly owns Ridgid, Inc., a corporation organized and existing under the laws of Delaware, USA.

² A corporation duly organized and existing under the laws of the Republic of the Philippines, with principal place of business at 1354 Perez St., Ermita, Manila 1007.

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.

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The Opposer's evidence consists of the following:

1. Special Power of Attorney dated 19 February 2013 in favor of the law firm of Bengzon, Negre & Untalan;
2. Verification and Certification of Non-Forum Shopping;
3. Certified true copy of Trademark Registration No. 002635 of the trademark RIDGID;
4. Certified true copy of Respondent-Applicant's Trademark Application No. 4-2012-002841;
5. Copy of published Trademark Application No. 4-2012-002841;
6. Certified true and legalized copy of the Affidavit of Mr. Christopher J. Hayes, Assistant General Counsel, Intellectual Property of the RIDGID brand;
7. List of Opposer's subsidiaries and affiliates including Ridge Tool and Ridgid, Inc.;
8. List of representative patents, awards, and distinction for or in connection with RIDGID brand technology;
9. Certified true copies of representative registration certificates in various foreign countries;
10. Table listing of trademark registrations for RIDGID in various countries;
11. Photographs of representative diagnostic devices and tools;
12. Summary of applicable trade show and expo participation;
13. Enumeration of the promotional and training activities in the Philippines;
14. Representative Philippine advertisements promoting RIDGID brand products and photos of representative premium items bearing the RIDGID mark;
15. Copy of BLA Decision in IPC No. 14-2011-00454, and entry of judgment; and,
16. Table of Opposer's trademark registration for various classes.

This Bureau issued a Notice to Answer and served a copy to Respondent-Applicant on 25 March 2013. Said Respondent-Applicant, however, did not file an Answer. Hence, this case is submitted for decision.

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

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.⁴

The instant case is anchored, among others, on the ground that the trademark application is contrary to the provision of Sec. 123.1 (d) R.A. No. 8293, otherwise known as the Intellectual Property Code ("IP Code"). It is provided:

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;

⁴ 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).

Records show that at the time the Respondent-Applicant filed its trademark application on 07 March 2012, the Opposer has an existing trademark registration for RIDGID (Registration No. R-2635 issued on 27 December 1980 and continuously renewed thereafter)⁵.

The competing marks are shown below for comparison:

RIDGID

Opposer's Trademark

Ridgid

Respondent-Applicant's Trademark

The contending marks have identical word marks. The only difference is the font, although it bears no consequence because of the similarity in the visual and aural presentation of both word marks. As regards the goods covered by the marks, Respondent-Applicant's RIDGID covers ATM cladding, ATM pin pad cover, ATM LCD monitor; whereas Opposer's RIDGID covers heavy duty wrenches, stillson pipe wrenches, hex wrenches, pipe threaders, geared threaders, pipe cutters, pipe vises, power drives, pipe and bolt threading machines. While they are not identical in terms of goods classification, it appears that the Opposer has diversity of tools covered under its local and international trademark registrations including diagnostics, inspection and locating, pressing, drain cleaning, pipe and tubing tools, electrical tools, general purpose and hand tools, wet and dry vacuums, power tools and generators or pressure washers.⁶ Now a days, the more recognized hardware stores or home appliance or equipment stores offer diversified products including the aforementioned goods of the parties. It is likely therefore, that the consumers will have the impression that these goods or products 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:⁷

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. 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.

The public interest, therefore, 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 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

⁵ IPPhl Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 17 November 2016).

⁶ Exhibit "G" and series; Annexes "D", "E", "F" and "G" of Exhibit "F" of Opposer.

⁷ Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.

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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.⁸

In contrast, the Respondent-Applicant despite the opportunity given, failed to explain how it arrived at using the identical mark "RIDGID" as it failed to file a Verified Answer. The Opposer's mark is unique and highly distinctive with respect to the goods it is attached with. It is incredible for the Respondent-Applicant to have come up with the same mark by pure coincidence. Thus, Respondent-Applicant's mark should not be allowed registration because it resembles Opposer's mark as to be likely to deceive or cause confusion.⁹

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. 4-2012-002841 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. 16 NOV 2016



Atty. GINALYN S. BADIOLA, LL.M.
Adjudication Officer, Bureau of Legal Affairs

⁸ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.

⁹ Sec. 123.1 (d), IP Code.