

FOREVER 21, INC.,
Opposer,

-versus-

EDMON NGO,
Respondent-Applicant.

} **IPC No. 14-2015-00375**
} Opposition to:
} Appln. Serial No. 4-2015-002189
} Date Filed: 27 February 2015
}
} **TM: FASHION 21**
}

X-----X

NOTICE OF DECISION

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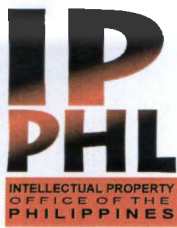
GREETINGS:

Please be informed that Decision No. 2017 - 32 dated 06 February 2017 (copy enclosed) was promulgated in the above entitled case.

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

Taguig City, 07 February 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



FOREVER 21, INC.

Opposer,

versus-

EDMON NGO

Respondent-Applicant.

IPC NO. 14-2015-00375

Opposition to:

Appln. Ser. No. 4- 2015-002189

Filing Date: 27 February 2015

Trademark: **FASHION 21**

x-----x Decision No. 2017 - 32

DECISION

FOREVER 21, INC.¹ ("Opposer") filed an Opposition to Trademark Application Serial No. 4-2015-002189. The application, filed by EDMON NGO² ("Respondent-Applicant") covers the mark **FASHION 21** for use on "make-up, eyeshadow, lipstick, blush-on, pressed powder, cake foundation, mascara, eye pencil, lip pencil, concealer, stick foundation, lotions, creams, soaps, facial cleansers, perfumes, facial wash, hot oil, shampoo, conditioner, make up remover, hair gel, hair wax, cologne, EDT, hair dye, hair spray, face mask, nail polish" under Class 3; "sponges, eyebrow brushes, eye shadow brushes, blush-on brushes" under Class 21; and "retail sale services of make-up, eyeshadow, lipstick, blush-on, pressed powder, cake foundation, mascara, eye pencil, lip pencil, concealer, stick foundation, lotions, creams, soaps, facial cleansers, perfumes, facial wash, hot oil, shampoo, conditioner, make up remover, hair gel, hair wax, cologne, EDT, hair dye, hair spray, face mask, nail polish; sponges, eyebrow brushes, eye shadow brushes, blush-on brushes" under Class 35 of the International Classification of Goods.

Opposer alleges the following grounds for opposition:

"A. REGISTRATION OF RESPONDENT-APPLICANT'S FASHION 21 IS PROSCRIBED UNDER SEC. 123.1 (G) OF THE IP CODE AS THE SAME IS LIKELY TO MISLEAD THE PUBLIC, PARTICULARLY AS TO THE NATURE, QUALITY, CHARACTERISTICS OR GEOGRAPHICAL ORIGIN OF THE GOODS OR SERVICES CONSIDERING THAT OPPOSER IS THE OWNER OF THE US REGISTERED MARK FASHION 21 FOR CLASS 35.

"B. REGISTRATION OF RESPONDENT-APPLICANT'S FASHION 21 IS PROSCRIBED UNDER THE IP CODE AND ARTICLE 6^{BIS} OF THE PARIS CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY AS IT IS CONFUSINGLY SIMILAR WITH OPPOSER'S INTERNATIONALLY WELL KNOWN AND REGISTERED MARK: FOREVER 21."

Opposer's evidence consists of the following:

1. Certified copy of opposer's U.S. Registration No. 2,848, 238 of the trademark Fashion 21 issued on 01 June 2004;
2. Certified copy of Opposer's Certificate of Registration No. 4-2005-003126 for classes 14, 18 and 25;
3. Certified copy of Opposer's Certificate of Registration No. 4-2010-006096 for class 35;

¹A corporation organized and existing under the laws of the State of Delaware, U.S.A.

² A Filipino citizen with address at 601 Peony Tower, Numancia Street, Galleria de Binondo, Manila.

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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4. Legalized and authenticated *Affidavit* of James Young Chan Kwon;
5. Copy of Certificate of Ownership and Merger;
6. Photograph of Fashion 21 store in California;
7. Certified copy of Certificate of Incorporation of Forever 21, Inc.;
8. Representative samples of certificates of registration for the mark Forever 21 issued in many countries;
9. Affidavit of Jane Kingsu-Cheng;
10. Pictures of Forever 21 Board Ups, glass wall and advertisements in print media, billboards;
11. Pictures from the Philippine Fashion Week 2011;
12. Copy of the marketing budget of Forever 21 from 01 July 2010 to 10 April 2011;
13. Affidavit of Mina Grace Lim Co; and
14. Affidavit of Hazel Ann F. Hapin.

This Bureau issued on 29 October 2015 a Notice to Answer and served it to Respondent-Applicant on 10 November 2015. On 25 January 2016, Respondent-Applicant filed the Answer, alleging the following Affirmative Defenses:

"Atty. Pablo M. Gancayco, the signatory to the Opposition's Verification and Certification of Non-Forum Shopping had no authority to sign the same on behalf of the Opposer.

"The trademark 'FASHION 21' was conceptualized and first used in 1985 by Mariano T. Ngo, the father and predecessor-in-interest of Respondent-Applicant;

"The registration of the trademark FASHION 21 will not mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;

"Opposer has neither (a) registered; nor even (b) applied for the registration if the Fashion 21 trademark in the Philippines;

"'F' and '21' are not the dominant features of the Opposer's mark FOREVER 21;

"The goods covered by the competing marks travel through different channels of trade;

"Opposer failed to prove that its FOREVER 21 mark is internationally well-known."

Respondent-Applicant's evidence consists of the following:

1. Affidavit of Edmon Ngo;
2. Certified copy of Certificate of Registration No. 059100 for the mark FASHION 21 issued on 11 August 1994;
3. Certified copy of Certificate of Registration No. 059100 for the mark FASHION 21 issued on 11 August 1994;
4. Certified copy of the relevant pages of TEEN Magazine December 1994 issued where Fashion 21 was advertised;
5. Certified copy of the relevant pages of MANAGER magazine September-October 1997 issue;
6. Certified copy of the relevant pages of Women Journal 9 May 1998 issue;

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7. Certified copy of Deed of Assignment for the mark AIDO;
8. Certified copy of the mark Teen's Fashion 21 registered on 30 October 2004;
9. Copy of the relevant pages of Entrepreneur magazine April 2006 issue;
10. Certified copy of Declaration of Actual Use for the mark Fashion 21 filed on 04 March 2011 under Trademark Application Serial No. 4-2011-002436;
11. Certified copy of the Affidavit of Jim Marty Ting with annexes;
12. Certified copy of the Affidavit of Anita Mallari Sanchez with annexes;
13. Certified copy of the Affidavit of Teresita M. Jawali with annexes;
14. Certified copy of the Affidavit of Nelly Apal Sumook with annexes;
15. Affidavit of Jim Marty Ting executed on 20 January 2016 with annexes;
16. Print-out of the details of Trademark Registration No. 000624 for the mark 21 under the name of Wagner Electric Corp. from the IPOPHL Database;
17. Photographs of Love & Beauty Cosmetics sold at Forever 21 stores; and
18. Print-out from IPOPHL's Trademark Database of the details of registration of the mark FOREVER 21 of Opposer.

Pursuant to Office Order No. 154, s. 2010, the case was referred to the Alternative Dispute Resolution ("ADR") for mediation. However, the parties failed to settle their dispute. After the preliminary conference was terminated, the parties were directed to submit position papers. On 15 July 2016, Opposer filed its Position while Respondent-Applicant did so on 20 July 2016. Hence, this case is now submitted for resolution.

Should Respondent-Applicant be allowed to register the mark **FASHION 21**?

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.³

Section 123.1 (d) of Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines", as amended, provides:

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;

Explicit from the afore-cited provision of the IP Code that whenever a mark subject of an application for registration resembles another mark which has been registered or has an earlier filing or priority date, said mark cannot be registered.

³See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

Records will show that at the time Respondent-Applicant filed its trademark application for the mark FASHION 21 on 27 February 2015, Opposer already has an existing registration for the mark FOREVER 21 granted on 15 January 2007. Opposer's goods consists of "precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments" under Class 14; "leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery" under Class 18; "clothing, namely men`s wear, children`s wear, women`s wear, women`s separates, coats, robes pajamas, night shirts, night gowns, tank tops, jerseys, pants, jeans, shorts, overalls, shirts, t-shirts, blouses, vests, skirts, jackets, coats, sport coats, sweaters, sweatshirts, sweatpants, neckties, belts, socks. footwear namely leather shoes, athletic shoes, rubber shoes and sandals. headgear namely visors, baseball caps, berets, derby, bonnets" under Class 25 and "retail sales of clothing, undergarments, lingerie, belts, ties, footwear, headwear, scarves, gloves, socks, accessories, jewelry, bags, luggages, cosmetics, umbrellas, and stationery" under Class 35. On the other hand, Respondent-Applicant's goods consists of "make-up, eyeshadow, lipstick, blush-on, pressed powder, cake foundation, mascara, eye pencil, lip pencil, concealer, stick foundation, lotions, creams, soaps, facial cleansers, perfumes, facial wash, hot oil, shampoo, conditioner, make up remover, hair gel, hair wax, cologne, EDT, hair dye, hair spray, face mask, nail polish" under Class 3; "sponges, eyebrow brushes, eye shadow brushes, blush-on brushes" under Class 21; and "retail sale services of make-up, eyeshadow, lipstick, blush-on, pressed powder, cake foundation, mascara, eye pencil, lip pencil, concealer, stick foundation, lotions, creams, soaps, facial cleansers, perfumes, facial wash, hot oil, shampoo, conditioner, make up remover, hair gel, hair wax, cologne, EDT, hair dye, hair spray, face mask, nail polish; sponges, eyebrow brushes, eye shadow brushes, blush-on brushes" under Class 35. Opposer's goods are mostly fashion items and apparels while that of Respondent-Applicant are mostly cosmetics. Thus, the goods upon which the respective marks are used are different or non-competing.

But are the marks of the parties confusingly similar as to likely cause confusion, mistake or deception on the part of the public?

The competing marks are hereunder reproduced:

FOREVER 21

Opposer's Mark

fashion²¹

Respondent-Applicant's Mark

A practical approach to the problem of similarity or dissimilarity is to go into the whole of the two trademark pictured in their manner of display. Inspection should be undertaken from the viewpoint of the prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of the trademark said to be infringed. Some such factors as "sound; appearance; form, style, shape, size or format; color; ideas connoted by marks; the meaning, spelling and pronunciation, of words used; and the setting in which the words appear" may be considered.⁴ Thus, confusion is likely between marks only if their overall presentation as to sound, appearance or meaning would make it possible for consumers to believe

⁴ Etepha A.G. v. Director of Patents, G.R. No. L-20635, 31 March 1966.

that the goods or products, to which the marks are attached, comes from the same source or are connected or associated with each other.

Respondent-Applicant is different and distinct from Opposer's mark. Opposer's mark consist of the word "FOREVER" and number "21" written in plain font. In contrast, Respondent-Applicant's mark consists of the word "FASHION" written in lower case letters and the number "21" written in stylized manner and in a bigger font. While both marks uses the number "21", it is not enough to make the mark confusingly similar with each other. The number "21" has not been exclusively appropriated by Opposer. Based on the search result of the Trademark Database of this Office, the number "21" has been used many times in combination with various word marks. As such, the mere use of the number "21" cannot solely be the basis for a finding of confusing similarity. Even if the competing marks contain number "21", Opposer's mark can be easily distinguished from that of Respondent-Applicant because they use different words and are presented differently from each other. Respondent-Applicant's mark, is distinctive enough as to effectively identify the source of the goods or services. Further, when pronounced, the marks of the parties are not phonetically the same such that the consuming public will not likely be confused, mistaken or deceived into thinking that Respondent-Applicant's goods bearing the mark FASHION 21 originated, sponsored or manufactured by Opposer.

In its attempt to further oppose the registration of Respondent-Applicant's mark, Opposer submitted its registration of the mark FASHION 21 in the U.S. which was granted on 01 June 2004. However, this mark was not applied for, registered or used here in the Philippines. On the other hand, Respondent-Applicant's predecessor-in-interest has registered the mark FASHION 21 on 11 August 1994. The trademark was first used in commerce on 16 May 1985. Although, the registration was cancelled on 12 August 1999 for failure to file the Affidavit of Use for the 15th Anniversary, Respondent-Applicant did not abandon its rights over the FASHION 21 mark.

Generally, abandonment means the complete, absolute or total relinquishment or surrender of one's property or right, or the voluntary giving up or non-enjoyment of such property or right for a period of time which results in the forfeiture or loss thereof. It requires the concurrence of the intention to abandon it and some overt acts from which it may be inferred not to claim it anymore.⁵ To work abandonment, the disuse must be permanent and not ephemeral; it must be intentional and voluntary, and not involuntary or even compulsory. There must be a thorough ongoing discontinuance of any trade-mark use of the mark in question.⁶ Applying the concept to ownership or registration of trademarks, in order for a trademark registration to be considered as abandoned, the owner/registrant must relinquish or voluntarily surrender its rights over the trademark.

There was no overt act from which it can be inferred that Respondent-Applicant abandoned his right over the mark FASHION 21. Respondent-Applicant's evidence showed that despite the cancellation of the registration of the mark FASHION 21, it continued to use the mark in commerce. This is very clear from the various print advertisements, Certificates of Product Registration issued by the Food and Drug Administration, Invoices, Consignment Agreement, among others. What is more, the re-application by Respondent-Applicant for registration of the mark FASHION 21 only bolsters the fact that it did not intend to relinquish its rights over the mark. Thus, the continued use by Respondent-Applicant of its mark since 1985 confirms that the Respondent-Applicant has prior and better right than Opposer.

⁵ *Agpalo, Ruben E., Legal Words and Phrases, 1997 Ed., page 1.*

⁶ *Philippine Nut Industry vs. Standard Brands, Incorporated, Et. al., G.R. No. L-23035. July 31, 1975 citing Callman, Unfair Competition and Trademark, 2nd Ed., p. 1341)*


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Accordingly, the registration of the Respondent-Applicant's mark is not proscribed under Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **DENIED**. Let the filewrapper of Trademark Application Serial No. 4-2015-002189, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, **06 FEB 2017**


MARLITA V. DAGSA
Adjudication Officer
Bureau of Legal Affairs