

# NOTICE OF DECISION

# **VERALAW (Del Rosario Raboca Gonzales Grasparil)**

Counsel for Opposer A&V Crystal Tower 105 Esteban Street, Legaspi Village 1223 Makati City

# **SAPALO VELEZ BUNDANG & BULILAN**

Counsel for Respondent- Applicant 11<sup>th</sup> Floor, Security Bank Centre 6776 Ayala Avenue, Makati City 1200

# **GREETINGS:**

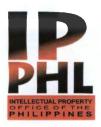
Please be informed that Decision No. 2017 - <u>98</u> dated 27 March 2017 (copy enclosed) was promulgated in the above entitled case.

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, 29 March 2017.

MARILYN F. RETUTAL IPRS IV

**Bureau of Legal Affairs** 



ARABELLA PTE. LTD.,

Opposer,

- versus -

IPC No. 14-2014-00325

Opposition to:

Appln. No. 4-2013-00503707 Date Filed: 12 December 2013 Trademark: "E ENERGETICS"

IIC-INTERSPORT INTER-NATIONAL CORPORATION GMBH [CH],

Respondent-Applicant.

Decision No. 2017 - 98

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#### DECISION

ARABELLA PTE. LTD. ("Opposer")<sup>1</sup>, filed a verified opposition to Trademark Application Serial No. 4-2013-00503707. The application, filed by IIC-INTERSPORT INTER-NATIONAL CORPORATION GMBH [CH] ("Respondent-Applicant")<sup>2</sup>, covers the mark "E ENERGETICS" for use on following classes of goods<sup>3</sup>: **18** for "bags and rucksacks especially designed for sports, multi-purpose bags, sports bags;" **25** for "clothing and footwear for fitness and gymnastics;" and, **28** for "games and playthings."

The Opposer alleges that in 1990, the Sixty Group was created and eventually launched in the market in 1992. It opened the Miss Sixty monobrand store with its line of footwear, eyewear, fragrance, jewelry and leather goods. It also launched its line of underwear and beachwear. One of the brands marketed and promoted by the Sixty Group is the brand "ENERGIE". This was established with the vision to create something new, different and original, comprising of shoes, bags collections, beach wear and underwear lines. It is one of the leading clothing lines worldwide. The mark "ENERGIE" has five hundred (500) trademark registrations and applications worldwide. In the Philippines, as early as 1997, it was issued registrations for the trademarks ENERGIE & DEVICE and ENERGIE.

According to the Opposer, the "ENERGIE" brand is well-known worldwide. It has penetrated the Philippine market through licensees and/or authorized boutiques, department stores and/or retail shops. The marketing and promotion of "ENERGIE" was not limited to retail and franchisee stores. It maintains a website, "www.energie" for promotion and allows direct purchases online and ship goods to many countries. Through sheer marketing strategy and tireless promotion, particularly through aggressive advertising, "ENERGIE" became a worldwide success and generated substantial sales.



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A corporation duly organized and existing under and by virtue of the laws of Singapore with principal office at 80 Raffles Place #16-20 UOB Plaza, Singapore.

A corporation existing by virtue of the laws of Switzerland, with address at Wolfistrasse 2, 3006 BERN, Switzerland.

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 submitted the following evidence:

- 1. Computer printout of Trademark Application No. PH/4/2013/00503707;
- 2. Special Power of Attorney dated 14 July 2014;
- 3. Verification and Certification against Forum-Shopping;
- 4. Affidavit of Mr. Paolo Bodo dated 14 July 2014;
- 5. Deed of Transfer dated 23 November 2011;
- 6. Copies of relevant merger instruments and its English translation;
- 7. Copies of the schedule of worldwide trademark registrations and application for the ENERGIE brand and declaration by the trademark attorney of Sixty International S.A.;
- 8. Downloaded list of addresses of retail and franchising stores worldwide;
- 9. Copies of the compilations of the corporate press reviews for the Sixty Group for the year 2009 and product press reviews for the different Sixty Group brands in fashion magazine publications;
- 10. Copies of invoices for ENERGIE products supplied to Italian Fashion International;
- 11. Photographs of Franchisee Store;
- 12. "J";
- 13. Printouts of website showing ENERGIE mark;
- 14. List of worldwide revenue for the ENERGIE brand for the last decade;
- 15. Representative samples of sales invoices in the Philippines, U.S., Canada, China, Germany, Hong Kong, Italy and Spain from 2007 to 2012; and,
- 16. Statement of the revenue for the ENERGIE brand from sales in the Philippines;

On 12 January 2015, Respondent-Applicant filed its Answer. It alleges that Opposer will not be damaged by subject trademark application considering that the "E ENERGETICS" mark is not confusingly similar with Opposer's "ENERGIE" mark, which is the basis of the instant opposition. Thus, the opposition must fail for lack of cause of action.

Respondent-Applicant has been in the business of dealing with equipments, apparel and other products for sports, fitness and wellness since 1968, it has established presence in over 43 countries worldwide. It was able to apply for registration and register the trademark "E ENERGETICS" covering goods under classes 9, 18, 25, 28 and 27 in more than 74 countries. It has been used, promoted and advertised for a considerable duration and over wide geographical areas. Respondent-Applicant has invested tremendous amount of resources in the promotion of the "E ENERGETICS" trademarks, advertisements in well-known publications as well as in the world wide web.

According to the Respondent-Applicant, the trademarks are grossly different in their overall appearance. A would-be purchaser could easily distinguish Respondent-Applicant's "E ENERGETICS" from Opposer's "ENERGIE" marks, and vice-versa. In particular, the spelling, sound, meaning, style and connotation of these marks are glaringly different. On the basis of several existing registrations for "ENERGIE" trademarks with the IPOPHIL by other persons/entities, Opposer cannot claim exclusivity on the use or being well-known of its "ENERGIE" marks. The IPOPHIL trademarks database shows several existing registrations for "ENERGIE" trademarks of other entities both local and in foreign countries. In fact, most of these trademarks include an irrelevant "ENERGIE" marks. It also appears that the Opposer has no existing registration for "ENERGIE" mark in the Philippines, but only pending applications for registration of "ENERGIE" marks filed as far as 2004. In addition, the Respondent-Applicant states that the parties' marks have co-existed for at least 15 years in the European Union, without causing confusion. Foreign jurisdictions validated the lack of similarity between the marks.

Finally, Respondent-Applicant's claims that "E ENERGETICS" mark covers special products for fitness, sports and wellness. While both marks cover class 25, the target consumers by the Respondent-



Applicant's "E ENERGETICS" trademark are particularly those into fitness, sports and wellness while the Opposer's goods are more for customers into fashion and style outside sports.

The Respondent-Applicant's evidence are the following:

- 1. List of application for registration and registration for trademark "E ENERGETICS" in various countries;
- 2. Promotional and advertising materials for products bearing "E ENERGETICS" trademark;
- 3. Copies of the application for trademark "ENERGIE & DEVICE" which was abandoned with finality; and,
- 4. Print-outs of pages from World Intellectual Property Organization (WIPO) Global Brand Database showing registered "ENERGIE" trademarks of other entities in foreign countries such as the United States of America, Morocco, New Zealand, Canada and Switzerland.

The Preliminary Conference was held and terminated. Thereafter, the Opposer and the Respondent-Applicant filed its position papers on 29 September 2015. Hence, this case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark E ENERGETICS?

Records reveal that the Opposer applied for registration of the mark "ENERGIE" on 21 March 2012 and was issued Trademark Registration No. 4-2012-003604 for use on class 25 goods. On the other hand, the Respondent-Applicant's application for the subject mark "E ENERGERTICS" was filed only on 12 December 2013.

To determine whether the competing marks are confusingly similar, the competing marks are reproduced below:



**ENERGIE** 



Opposer's mark

Respondent-Applicant's marks

What constitutes the Opposer's mark is the coined word "ENERGIE". While it is true that Respondent-Applicant's mark contains the letters E, N, E, R, G, E to form "ENERGE" as part of the mark "E ENERGETICS", this Bureau cannot agree with Opposer's contention that the competing marks are confusingly similar. The Respondent-Applicant's mark consists of a letter E enclosed in a box structure and the word ENERGETICS, in an italicized and stylized font. Thus, the said mark should be appreciated as a whole and should be read as "E ENERGETICS" which is distinct, both in visual and aural appearance from the Opposer's "ENERGIE" marks.

Moreover, the term "ENERGY" is a common English word and hence, what will determine whether the marks are indeed confusingly similar are the words and/or device that accompany the same. In this regard, the Opposer was able to lend to its mark distinctiveness by substituting the letters "IE" for the "Y". On the other hand, the Respondent-Applicant also made its mark distinguishable by adding the letter E in a box before the word "ENERGETICS". Noteworthy, the Trademark Registry shows many

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prior registered marks, belonging to different entities for goods also under Class 25, bearing or containing the word "ENERGIE" or "ENERGY". These marks include, among others, "ENERGIE in stylized form" under Certificate of Registration No. 4-2010-002006, issued on 24 December 2010; "ENERGY" under Certificate of Registration No. 4-2005-002293, issued on 22 October 2007; "GOOD ENERGIES" under Certificate of Registration No. 3589, issued on 22 October 2007; and "L.E.I. LIFE ENERGY INTELLIGENCE" under Certificate of Registration No. 4-2014-007693, issued on 26 September 2014.

Furthermore, because of the disparity of the goods covered by the Opposer's mark on one hand and the goods indicated in the Respondent-Applicant's application on the other, it is doubtful if the consumers in encountering the mark "ENERGIE" will have in mind or be reminded of the trademark "E ENERGETICS". The Opposer's goods are casual clothing and foot apparels, while the Respondent-Applicant's goods deal with sports, fitness and games. Not only are they different, the products involved in the case at bar are not your ordinary household items. Accordingly, the casual buyer is predisposed to be more cautious and discriminating and would prefer to mull over his purchase. Confusion and deception is less likely.<sup>5</sup>

Finding no confusing similarity between the marks, there is no need to determine whether the Opposer's mark is well-known and is protected under Section 123.1 (e) of the IP Code.

Finally, 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 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. It is found that Respondent-Applicant's mark sufficiently met this function.

**WHEREFORE**, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application No. 4-2013-00503707 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City. 27 MAR 2017

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

<sup>&</sup>lt;sup>4</sup> IPPhl Philippine Trademark Database, available at http://www.wipo.int/branddb/ph/en/ (last accessed 27 March 2017).

Victorio P. Diaz vs. People of the Philippines, G.R. No. 180677, 18 February 2013.

Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.