

NEXT JEANS INC.,
Opposer,

-versus-

EARTH TONES CORPORATION,
Respondent-Applicant.

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IPC No. 14-2015-00206
Opposition to:

Appln. Serial No. 4-2014-014596
Date Filed: 25 November 2014

TM: NEXT TO NATURE

NOTICE OF DECISION

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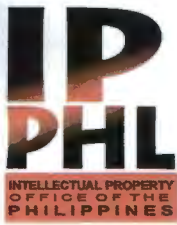
GREETINGS:

Please be informed that Decision No. 2017 - 133 dated 20 April 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, 21 April 2017.

Marilyn F. Retual
MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



NEXT JEANS, INC.,
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-versus-

EARTH TONES CORPORATION,
Respondent-Applicant.

} **IPC NO. 14-2015-00206**

} Opposition to:

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} Appln. Ser. No. 14-2014-014596

} Date Filed: 25 November 2014

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} Trademark: **NEXT TO NATURE**

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x-----x} Decision No. 2017- **133**

DECISION

NEXT JEANS, INC., (Opposer)¹ filed an opposition to Trademark Application Serial No. 14-2014-014596. The application, filed by EARTH TONES CORPORATION (Respondent-Applicant)², covers the mark "NEXT TO NATURE", for use on "sando, shorts, kid's shirts, crew neck, V-neck shirts, t-shirts, t-shirts, long sleeves, dry fit, socks, jackets, hoodless, blouses and polo shirts" falling under class 10, 11, 12, 18, 20, 21, and 25 of the International Classification of Goods³.

The Opposer anchors its opposition on the following grounds:

"1. The approval of Application SN 4-2014-014596 is contrary to Sec. 123.1 (d), 138, 147 and 165 of Republic Act No. 8293 (IP Code).

"2. Respondent-Applicant is not entitled to register the trademark 'NEXT TO NATURE' in his favor and the approval of the application SN 4-2014-014596 has caused and will continue to cause great and irreparable damage and injury to herein Opposer."

According to the Opposer:

"1. Opposer is a corporation duly organized and existing under the laws of the Philippines, with business and office address at 55-B Lincoln Street, Brgy. San Antonio, Quezon City.

¹ A corporation duly organized and existing under Philippine laws with address at 55-B Lincoln Street, Brgy. San Antonio, Quezon City

² Filipino with address at 68 f. Manalo Street, Cubao, Quezon City

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.

"2. Opposer is the registered owner of the trademark 'NEXT' under Registration No. 47510 originally issued on 5 March 1990 and renewed on March 5, 2010, for use on pants, jeans, shirts, skirts, blouses, shoes, sandals, slippers, dresses falling under Class 25.

"3. The trademark 'NEXT' is also registered in favor of Opposer under Registration No. 55791 originally issued on August 18, 1993, and renewed on August 18, 2013, for use on leather goods namely, shoes sandals, wallets, handbags, children's clothing namely, dresses, panty, shorts, t-shirts, blouses, fashion accessories namely, sunglasses, buckets, watches, belts, umbrella, hankies falling under Classes 14, 18 and 25.

"4. The trademark 'NEXT' is also registered in favor of Opposer under Registration No. 4-2012-012899 issued on February 6, 2014, for use on lotions, perfumes, hand sanitizers, hand wash, body wash, shampoos, colognes, conditioners, hair sprays, hair gels, make-up, nail polish, powders, deodorants, soaps, liquid soaps, facial wash, eyewear, eyeglasses, sunglasses, comb, brush, tumblers, coffee mugs, towels, handkerchiefs, pins, rubber bands, headbands falling under Classes 3, 9, 21, 24 and 26.

"5. Opposer is also the registered owner of the mark 'NXT' under Registration No. 4-2008-012245 issued on August 23, 2013 for use on wallets, bags, all kinds of articles of outer and underwear for men, women, teenagers and children, namely, shirts, blouses, skirts, suits, pants, trousers, jeans, vests, dresses, ties, coats, jackets, stockings, lingerie, panties, slips, camisoles, belts, bras, girdles, sandos, robes, bathing suits, socks, gloves, scarves, shoes, slippers, sandals, headwear, namely, hats, caps, falling under Classes 18 and 25.

"6. Opposer first used the trademark 'NEXT' on January 15, 1987 on goods falling under Class 25 (Exhibit 'B'); and on January 15, 1990 on goods falling under Classes 14 and 18 (Exhibit 'C') and in 2004 on goods falling under Classes 3, 9, 21, 24 and 26 (Exhibit 'D').

"7. Opposer has not abandoned the use of its registered trademark 'NEXT' and 'NXT' but continued their use since 1987 up to the present.
xxx

"8. As further proof of the continuous use of its registered trademark 'NEXT', as well as the extension of its use on other classes of goods, Opposer submits herewith representative sales invoices, as well as photographs of the representative products bearing the trademark 'NEXT'.



Opposer's goods bearing its registered mark 'NEXT' are widely distributed nationwide through the various and numerous branches of SM and Robinson's Department Stores, as well as online (www.nextjeans.com.ph)

"9. Opposer has advertised its registered trademark 'NEXT'.

"10. In addition to using 'NEXT' as its corporate name, Opposer has also used 'NEXT' as its trade name/business name duly registered with the Department of Trade and Industry, and the Bureau of Internal Revenue.

"11. The mark 'NEXT TO NATURE', subject of Respondent-applicant's Application SN 4-2014-014596 is confusingly similar, if not identical, to Opposer's registered trademarks 'NEXT', whether under the Dominancy Test or the Holistic Test. When used in connection with goods falling under Classes 18, 21 and 25, Respondent-applicant's goods bearing his opposed mark will be taken by the consuming public as the next higher grade or of better/superior quality than the goods of Opposer.

In addition, Respondent-applicant's application also covers goods identical and/or closely related to the goods covered by Opposer's registrations, particularly, goods falling under Classes 18, 21 and 25.

"12. Thus, approval of Respondent-applicant's application for the registration of the mark 'NEXT TO NATURE' is contrary to Section 123.1 (d) of Republic Act No. 8293, which provides:

Sec. 123.1. Registrability. A mark cannot be registered if it:

- (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.

In addition, approval of the application in question violates the right of Opposer to the exclusive use of its trademark 'NEXT' on the goods listed in its certificates of registration. xxx

"13. Approval of Respondent-applicant's application violates Section 165 of the IP Code which provides: xxx"

To support its opposition, the Opposer submitted as evidence the following:

1. Certified Copy of Opposer's Amended Articles of Incorporation issued by the Securities and Exchange Commission;
2. Certified copy of Certificate of Registration No. 47510 issued on March 5, 1990 for the trademark "NEXT" under Class 25;
3. Certified copy of Certificate of Renewal of Registration No. 47510 issued on 5 March 2010;
4. Certified copy of Certificate of Registration No. 55791 issued on August 18, 1993 for the trademark "NEXT" under Classes 14, 18 & 25;
5. Certificate of Renewal of Registration No. 55791 for the trademark "NEXT" issued on August 18, 1993 (Classes 14, 18, 25);
6. Certified copy of Certificate of Registration No. 4-2012-012899 for the trademark "NEXT" issued on February 6, 2014 for goods falling under Classes 3, 9, 21, 24 and 26;
7. Certificate of Registration No. 4-2008-012245 for the trademark "NXT" issued on August 23, 2013 for goods falling under Classes 18 and 25;
8. Duplicate copies of Affidavits/Declarations of Actual Use for Registration No. 47510 and Registration No. 55791;
9. Representative sales invoices and photographs of products bearing the mark "NEXT";
10. Delivery receipts bearing the registered mark "NEXT";
11. Print-outs from the website www.nextjeans.com.ph;
12. Samples of advertisements bearing the mark "NEXT";
13. Certificates of Registration for the trade name/business name "Next Jeans, Inc." issued by the Department of Trade and Industry and the Bureau of Internal Revenue;
14. Print -out of Respondent- Applicant's Application SN 4-2014-014596; and
15. Duly notarized affidavit of Elizabeth Chong Munoz Ang, President of Next Jeans, Inc.⁴

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 22 June 2015. The Respondent-Applicant, however, filed on 7 August 2015 an Answer. Since the answer was filed out of time, the Hearing Officer issued on 20 October 2015 an Order declaring the Respondent-Applicant in default.

Should the Respondent-Applicant be allowed to register the trademark NEXT TO NATURE?

⁴ Exhibits "A" to "K", inclusive.

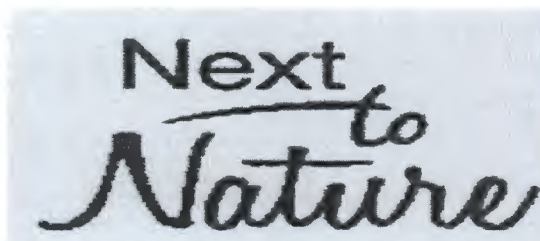
The records show that at the time Respondent-Applicant applied for registration of the mark "NEXT TO NATURE" on goods under Classes 10, 11, 12, 18, 20, 21 and 25, the Opposer already has existing Registration No. 55791⁵ for the mark "NEXT" on goods under Classes 25, 14 and 18, namely: pants, jeans, shirts, blouses, shoes, sandals, slippers, dresses, leather goods, namely: shoes, sandals wallets, handbags, children's clothing, namely dresses, panty, shorts, t-shirts, blouses, fashion accessories, namely: buckets, watches, belts, umbrella, hankies. In addition, Opposer also has Registration No. 47510⁶ for the trademark "NEXT" for goods under Class 25, namely "pants, jeans, shirts, skirts, blouses, shoes, sandals, slippers and dresses".

The trademark database show that Respondent-Applicant was previously granted a registration for the mark NEXT TO NATURE on 8 August 2008, but was removed from the register for non-use.

But are the competing marks, depicted below, confusingly similar?



Opposer's mark



Respondent-Applicant's mark

Scrutinizing the marks, it is observed that both marks use the word NEXT. In spite of this similarity, Respondent-Applicant's mark also contains the words "TO NATURE" depicted in stylized lettering. Moreover, even if the marks of the parties are identical, as to the word NEXT, the kind, nature or type of goods upon which the marks are to be applied must be considered in determining the likelihood of confusion. The Opposer uses its mark on goods "pants, jeans, skirts, blouses, shoes, sandals, slippers and dresses", mainly under class 25, while the Respondent-Applicant uses its mark on infants needs, particularly: (Class 10) Bottle, nipple, medical care kits, medical spoon, medicinal dropper, ear syringe, nasal aspirator, breast pumps, medical cases, cotton applicators. (Class 10, 12) bath tubs, hot plates, safety lamps, sterilizers, bottle heaters, bottle warmers, 3) strollers (Class 18) diaper bags (Class 20) cribs air cushion bolsters, bottle racks, cabinets, chimes, cloth hooks, hangers, covers, curtain accessories, accessory displays boards, dressing tables, tables, pillows, picture frames, shelves, walkers, brush finger toothbrush, pins (Class 25) Gloves, bibs, infant wears namely: side sleeveless, short sleeves, long sleeves) t-shirts, undershirts, panty, training panty, plastic pantry shorts, pajama sets, romper, terry frog suit, gown mittens, cloth diapers and shoes.

⁵ Exhibit "C"

⁶ Exhibit "B"

Because of the dissimilarity in the goods upon which the marks are to be applied, Opposer's mark for adult clothing while Respondent-Applicant's mark is mainly for infant needs, the likelihood of confusion is remote. Besides, on account of the difference in the commercial appearance of the Respondent-Applicant's mark, it is unlikely that on account of the identity of the word NEXT, the public would be vulnerable to confusion much less deception.

It is basic in trademark law that the same mark can be used on different types of goods. The Supreme Court in *Philippine Refining Co. Inc. v. Ng Sam*⁷ held:


A rudimentary precept in trademark protection is that "the right to a trademark is a limited one, in the sense that others may use the same mark on unrelated goods." ¹ Thus, as pronounced by the United States Supreme Court in the case of *American Foundries vs. Robertson*, "the mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others on articles of a different description."

Such restricted right over a trademark is likewise reflected in our Trademark law. Under Section 4(d) of the law, registration of a trademark which so resembles another already registered or in use should be denied, where to allow such registration could likely result in confusion, mistake or deception to the consumers. Conversely, where no confusion is likely to arise, as in this case, registration of a similar or even identical mark may be allowed.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 14-2014-014596 is hereby **DISMISSED**. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 20 APR 2017.


Atty. ADORACION U. ZARE, LL.M.
Adjudication Officer
Bureau of Legal Affairs

⁷ GR. No. L-26676 July 30, 1982

⁷ G.R. 120900 July 20, 2000