



INTELLECTUAL PROPERTY
OFFICE OF THE
PHILIPPINES

EBEL WATCHES, S.A.,

Opposer,

-versus-

EBOHR LUXURIES INTERNATIONAL, LTD.,

Respondent-Applicant.

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IPC No. 14-2014-00463

Opposition to:

Appln. Serial No. 4-2014-007511

Date Filed: 16 June 2014

TM: EBOHR

X-----X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 196 dated 06 June 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 June 2017.

MARILYN F. RETUAL

IPRS IV

Bureau of Legal Affairs

**Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE**

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- versus -

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IPC No. 14-2014-00463
Opposition to:

Appln. No. 4-2014-007511
Date Filed: 16 June 2014
Trademark: "EBOHR"

Decision No. 2017 - 196

DECISION

EBEL WATCHES, S.A. ("Opposer"),¹ filed a verified opposition to Trademark Application Serial No. 4-2014-007511. The application, filed by EBOHR LUXURIES INTERNATIONAL LTD. ("Respondent-Applicant")², covers the mark "EBOHR" for use on *"ingots of precious metals; jewelry cases [caskets]; jewelry; wristwatches; watches; clocks; straps for wristwatches; watch chains; watch cases; watch glasses"* under Class 14 of the International Classification of Goods and Services.³

The Opposer alleges that in 1911, the company was founded by Eugene Blum and Alice Levy in La Chaux-de-Fonds, Switzerland. The Opposer's EBEL brand was named after its founders' initials, "Eugene Blum et Levy." In 1912, the Opposer launched its first EBEL wristwatch. Beginning 1914, Opposer has received various awards for its elegant and pioneering watches. In 1935, Opposer became the first Swiss watchmaker to introduce the Western Electric precision and quality control standards to its watches which were even utilized by the Royal Air Force (British Army). At present, Opposer is one of the best known Swiss luxury watchmakers with nine (9) distinct collections of watches. In contrast, Respondent-Applicant was established only in 1991 in Shenzhen, China and has only three (3) collections of watches. It sells its watches only in China.

The Opposer asserts ownership over the trademark EBEL, which was issued Registration No. 4-2011-500980 dated 19 January 2012. The Opposer also claims as prior user of said mark for goods under Class 14 for ingots of precious metals; jewelry cases [caskets]; jewelry; wristwatches; watches; clocks; straps for wristwatches; watch chains; watch cases; watch

¹ A private corporation duly organized and existing under the laws of Switzerland, with business address at Bahnhofplatz 2B, 2502 Biel/Bienne, Switzerland.

² A private corporation duly organized and existing with given address at 8/F, New Energy Building, Nanshan Road, Nanshan District, Shenzhen City, Guangdong Province, China.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks, which was concluded in 1957 and administered by the World Intellectual Property Organization.

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glasses. In addition to the Philippines and Switzerland, Opposer's EBEL mark is registered in various countries including the United States, Australia, China, India, Malaysia, Indonesia, Japan, Hong Kong, Singapore. Opposer has also invested heavily in advertising the EBEL brand of watches.

According to the Opposer, the approval of the application in question is contrary to Section 123 (d) and (e) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines. Respondent-Applicant's mark EBOHR is confusingly similar, in fact, almost identical to its EBEL mark, to ride on the popularity and goodwill of the Opposer's brand and to confuse, deceive and/or mislead the purchasing public into believing that Respondent-Applicant's goods are the same as or connected with the goods of Opposer, its licensees and/or dealers. Moreover, the device in Respondent-Applicant's mark is identical to the device in Opposer's mark used in watches as early as 1954 - more than 30 years before Respondent-Applicant was incorporated. Since Respondent-Applicant's EBOHR mark is visually and aurally confusingly similar with Opposer's registered EBEL mark and both marks refer to goods under Class 14, Respondent-Applicant's EBOHR mark must be denied registration.

The Opposer submitted the following evidence:

1. Certified true copy (Ctc) of Certificate of Registration No. 4-2011-500980 of the mark EBEL;
2. Copy of the writeup on Opposer's history, awards, and watch collections;
3. Copies of the decision of the Panel of the Baselworld 2014 and the undertaking signed by Respondent-Applicant;
4. Copies of the certificates of registration issued by patent and trademark offices worldwide for the EBEL mark for Class 14; and,
5. Copies of advertisements of Opposer in magazine published in various countries.

On 17 April 2015, Respondent-Applicant submitted its Answer. By way of special affirmative allegations and defenses, it alleges that the trademark EBOHR means Everlasting, Brand, Outstanding Innovation, Honest Team and Reliable Products; and the device/logo of the trademark EBOHR means "Engineered Elegance" as represented by two letter "E". This trademark was first used in the opening day of Shenzhen Clock Fair on 28 June 2013. It is being used in China and promoted in many forms of advertisements and exhibitions. The EBOHR trademark was listed as the three hundred ninetieth (390th) of China's 500 most valuable brand in 2014 in the 11th World Brand Summit in Beijing, China and was valued at RMB 4.458 Billion. It has also been held as one of the Chinese Top Brand products. The Respondent-Applicant holds a multitude of registrations and applications for its Trademark in China and the United States of America.

According to Respondent-Applicant, the subject mark is not and cannot be considered to be confusingly similar to Opposer's mark due to the difference in words, meaning, style and presentation of the marks, although they are being used on goods under Class 14. As to Opposer's claim that its mark EBEL is an internationally well-known mark, such claim must have to be proven by clear and convincing evidence since it affects the substantive rights of Respondent-Applicant. The owner of an internationally well-known mark is given a much

broader protection than the ordinary owner of a trademark, trade name and service mark in the Philippines. Unfortunately, in the instant case, such claim was not proven by Opposer.

The Respondent-Applicant submitted the following evidence:

1. Secretary's Certificate of Ebohr Luxuries International Limited in behalf of Li Chun;
2. Affidavit of Li Chun, Manager of Ebohr Luxuries International Ltd.;
3. First use of the trademark EBOHR on 28 June 2013;
4. Photographs of ads promoting trademark EBOHR in advertisements and exhibitions;
5. Printout of the 11th China's 500 Most Valuable Brands in 2014 showing EBOHR trademark;
6. Certificate issued to Ebohr Luxuries International Ltd showing EBOHR as one of the Chinese Top Brand products;
7. List of Respondent-Applicant's trademark registrations and applications in China;
8. Copy of the Certificate of Registration for the trademark EBOHR and the Logo in China;
9. Printout of the trademark application for the trademark EBOHR in the Philippines;
10. Printout of the CTMO website showing EBEL registration in China;
11. Printout from USPTO website for the registration of EBOHR trademark; and,
12. Printout from USPTO website for the registration of EBEL trademark.

The preliminary conference was held and terminated on 05 September 2016. The parties submitted their respective position papers. Thereafter, this case is deemed submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark EBOHR and DEVICE?

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 Opposer anchors its opposition on Sec. 123.1 (d) R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of the same goods or services or closely related goods and services, or if it is nearly resembles a mark as to be likely to deceive or cause confusion. The Opposer also cites Sec. 123.1 (e) of the Code.⁵

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).

⁵ "A mark cannot be registered if it x x x (e) is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known international and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services. x x x"

In this regard, the records show that at the time the Respondent-Applicant filed its trademark application on 16 June 2014, the Opposer has existing trademark registration for the mark EBEL & DESIGN under Certificate of Registration No. 4-2011-500980 dated 19 January 2012 in the Philippines⁶. It also has prior-dated registration of the same mark in various patent and trademark offices worldwide⁷. Under the law, a certificate of registration constitutes a prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.⁸

The competing marks are reproduced below for comparison and scrutiny:



Opposer's Trademark



Respondent-Applicant's Trademark

It appears that the competing marks have striking similarities. The word marks both consist of two syllables with the identical letters "E" and "B", such that they produce comparable initial sound in dominant character when spoken. Moreover, the design and/or logo accompanying the word mark appears the same. The Opposer's design is a back-to-back stylized letter "E"⁹; whereas, the Respondent-Applicant's logo also appears as two letter "E"s with extended features in Greek font. Obviously however, the appearance of Respondent-Applicant's logo is sufficient to recall or recapture the design of Opposer's, and that most likely, to cause confusion or association to the public. The competing marks, despite the minuscule difference in the word marks combined with it, show likeness in appearance and impression. Thus, it can be observed that Respondent-Applicant's subject mark is a way of hiding the intent to copy Opposer's trademark.

Moreover, the identity of the goods involved are not only related, they are also similar. Both are likely to be conveyed and move in the same channels of trade. Therefore, the goods of the Opposer and the Respondent-Applicant are of a character which purchasers would be likely to attribute to a common origin. The allowance of Respondent-Applicant's application in this instance, will likely causes confusion to the consuming public, taking into consideration the wide market where Opposer's products are being sold. Also, considering the similarity or relatedness of goods carried by the contending marks, the consumers will have the commercial impression that these products originate from a single source or origin, associated with one another, or a variation of the Opposer's mark. The likelihood of confusion therefore, would subsist not only

⁶ Annex "A" of Opposer.

⁷ Annexes "D-1" to "D-17" of Opposer.

⁸ Sec. 138, IP Code.

⁹ Id. at 6.



on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:¹⁰

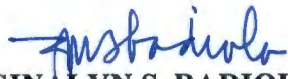
Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality 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.

In this instant case, the Opposer's prior use and registrations of its EBEL and DESIGN marks demonstrate ownership thereof. The Opposer and its trademarks has verily shown evidence of its history, awards, and watch collections¹¹. In addition, the Opposer has shown proof of advertisement of its EBEL products in various countries¹². Thus, the public interest 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.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-007511 is hereby **SUSTAINED**. Let the file wrapper 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. **06 JUN 2017**


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

¹⁰ Sterling Products International, Inc. v. Farbenfabriken Bayer Aktiengesellschaft, G.R. No. L-19906, 30 April 1969.
¹¹ Annex "B" of Opposer.
¹² Annexes "E-1" to "E-13" of Opposer.