



INTELLECTUAL PROPERTY
OFFICE OF THE
PHILIPPINES

OMP, INC.,
Opposer,

-versus-

MIKOBEAUTE INTERNATIONAL CO., LTD.,
Respondent-Applicant.

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IPC No. 14-2015-00025
Opposition to:
Appln. Serial No. 4-2014-00010689
Date Filed: 27 August 2014

TM: NU+DERMA

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NOTICE OF DECISION

BARANDA & ASSOCIATES

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GREETINGS:

Please be informed that Decision No. 2017 - 180 dated 01 June 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHEL 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, 01 June 2017.

MARILYN F. RETUTAL
IPRS IV

Bureau of Legal Affairs

**Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE**

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Opposer,	} Opposition to:
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-versus-	} Appln. Ser. No. 4-2014-00010689
	} Date Filed: 27 August 2014
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MIKOBEAUTE INTERNATIONAL CO., LTD.,	} Trademark: NU+DERMA
Respondent-Applicant.	}
x-----x	} Decision No. 2017- 180

DECISION

OMP, INC., (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2014-00010689. The application, filed by MIKOBEAUTE INTERNATIONAL CO., LTD. (Respondent-Applicant)², covers the mark “NU+DERMA”, for use on “soap, hair lotions, cleansing milk for toilet purposes, bath salts not for medical purposes, essential oils, beauty masks, cosmetic kits, toiletries, nail varnish” under Class 3 of the International Classification of Goods³.

The Opposer anchors its opposition on the following grounds:

“3. The Opposer will be damaged by the registration of the Application and respectfully submits that the Application should be denied for the reasons set forth below.

“4. The Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines (‘IP Code’): xxx

“5. The Opposer is the registered owner of the marks NU-DERM, OBAGI NUDERM and NEW TO NU-DERM in the Philippines, and is therefore entitled to the exclusive use of the marks. Section 138 of the IP Code states:

‘Section 138. Certificates of Registration.- A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant’s ownership of the mark, and of 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.’

¹ A corporation duly organized and existing under the laws of Delaware, with address at 50 Technology Drive, Irvine, California 92618 USA

² A Taiwan corporation with address at 6F, No. 310 Sec. 4, Chung Hsiao E. Road, Da-an Dist., Taipei City 106, Taiwan

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.

“6. The registration of the Application will violate Sections 123.1 (a), (d), (e) and (f) of the IP Code which expressly prohibit the registration of a mark if it is:

“6.1. Consists of immoral, deceptive or scandalous matter, or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt or disrepute.

“6.2. Identical to a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of: (1) 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.

“6.3. Is identical with, or confusingly similar to, or constitutes a translation of a mark with which is considered by the competent authority of the Philippines to be well-known internationally 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: *Provided*, That in determining whether a mark is well-known, account shall be taken of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

“6.4. Is identical with or confusingly similar to, or constitutes a translation of a mark, considered well known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods and services which are not similar to those with respect to which registration is applied for: *Provided*, that the use of the mark in relation to the goods or services would indicate a connection between those goods or services, and the owner of the registered mark: *Provided further*, that the interests of the owner of the registered mark are likely to be damaged by such use.

“7. In addition, both the Philippines and the United States, where the Opposer was organized and registered, are members of the Paris Convention for the Protection of Industrial Property and the WTO TRIPS Agreement. xxx”

According to the Opposer:

“9. The Opposer is a global specialty pharmaceutical company founded by leading skincare experts in 1988 and provides a wide range of medicated and non-medicated skin care products including but not limited to moisturizers, toners, cleansers, peels, exfoliators, and sunscreens, under its numerous brands, its well-known NU-DERM brand. Xxx

“10. The Opposer’s products have been highly successful. For instance, in fiscal year 2012, OMP reported sales of over \$120 million.

“11. The Opposer’s products, including NU-DERM products, are sold in 45 countries worldwide, xxx

“12. The Opposer’s products, including NU-DERM products, are distributed in the Philippines through its partner Obagi Skin Health, Inc. The Obagi Skin Health, Inc. operates several House of Obagi stores in the Philippines.

“13. The Opposer has received international acclaim and praise, and its products, including NU-DERMA products, have been featured in numerous major world print publications, including PEOPLE MAGAZINE, COSMOPOLITAN, ALLURE, O THE OPRAH MAGAZINE, SELF and REDBOOK.

“14. The Opposer and its products, including NU-DERM products have also been featured in numerous international online publications and blogs.

“15. The Opposer and its products, including NU-DERM products, have been featured in news reports and mainstream television shows, including *The Ellen DeGeneres Show*, *The Rachel Ray Show*, and *the Doctors Television Show*.

“16. The Opposer’s products, including NU-DERM products, have ben featured in numerous Philippine publications, including The Philippine Star.

“17. The Opposer has participated in numerous well-publicized events in the Philippines and nearby countries, including the 20th Regional Conference of Dermatology in Manila, Philippines, and as sponsor of PeopleAsia’s People of the Year Event.

“17. The Opposer has participated in numerous well-publicized events in the Philippines and nearby countries, including the 20th Regional Conference of Dermatology in the Philippines, and as a sponsor of PeopleAsia’s People of the Year event.

“18. The Opposer is the owner of the NU-DERM and OBAGI NU-DERM trademarks (the ‘NU-DERM Trademarks’) in many countries around the world, in all five inhabited continents, including the Philippines.

“19. The mark OBAGI NU-DERM was first registered in the United States on May 5, 1998.



“20. In the Philippines, the Opposer owns the following marks: NU-DERM, 4-2002-009047; OBAGI NU-DERM, 4-2005-003018; NEW TO NU-DERM; 4-2013-000741 xxx”

To support its opposition, the Opposer submitted as evidence the following: Power of Attorney; Affidavit of Preston Romm; Copies of Authority to Execute Affidavit; Annual Report for 2012; Print-out of Opposer’s partners from <http://physicians.obagi.com/international>; List of House of Obagi stores in the Philippines; Copies of Review It Magazine, Ebony Magazine, Self Magazine, New Beauty Magazine, 002 Houston, Allure Magazine, Aquarius Magazine, Avenue Magazine, Aquarius Magazine, Beauty Inc Magazine, Best Health Magazine, Cosmetic Dermatology Magazine, Dermascope Magazine, Elle Magazine, H Magazine, Health & Fitness Magazine, In the Know Magazine, In Touch Magazine, Journal of Drugs in Dermatology Magazine; Lucky Magazine, Merge magazine, MSM Magazine, New Beauty Magazine, New You Magazine, Elevate Magazine, The Oprah Magazine, Plastic Surgery Magazine, Redbook Magazine, Sheen Magazine, Social Life Magazine, Washingtonian Magazine, West Coast Woman Magazine, Weight Watchers Magazine, International online publication and blog where NU-DERM products are featured; Copies of video stills where NU-DERM products have been featured, Opposer’s products including NU-DERM products; List of registrations of NU-DERM trademarks; website print-out of European Union registration certificate; Copies of registration certificate for the trademark NU-DERM in Bahrain, Cambodia, Canada, China, Egypt, Japan, Jordan, Kuwait, Lebanon, Macao, Malaysia, Mexico, Morocco, Oman, Philippines, Qatar, Russian Federation, Saudi Arabia, Tunisia, Turkey, United Arab Emirates, United States of America, Venezuela, Yemen, Colombia, Costa Rica and Vietnam; Copy of packaging and labels; copies of advertising of NU-DERM and copies of website print-out of Philippine registration of NU-DERM, OBAGI NU-DERM and NEW TO NU-DERM.⁴

This Bureau served upon the Respondent-Applicant a “Notice to Answer” on 7 May 2015. The Respondent-Applicant, however did not file an Answer. Thus, the Hearing Officer issued on 10 September 2015 Order No. 2015-1399 declaring the Respondent-Applicant in default for failure to file an Answer.

Should the Respondent-Applicant be allowed to register the trademark NU+DERMA?

Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines (“IP Code”) states under Sec. 123.1 that:

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

⁴ Exhibits “A” to “WWWWW” (Annexes “A” to “P” inclusive)

(iii) if it nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time Respondent-Applicant applied for registration of the mark "NU+DERMA" the Opposer already registered the marks "NU-DERM", "OBAGI NU-DERM" and "NEW TO NU-DERM". The goods covered by the Opposer's trademark registration are also under Class 3, same as indicated in the Respondent-Applicant's trademark application.

Do the competing marks, depicted below resemble each other such that confusion, even deception, is likely to occur?

NU-DERM

NU⁺derma

Opposer's mark

Respondent-Applicant's mark

Scrutinizing the composition of the trademarks involved in this case, it is observed that Respondent-Applicant appropriated all the five letters of Opposer's mark, N-U-D-E-R-M, differing only in that Respondent-Applicant added the letter "A" and substituted a "+" sign for a hyphen "-" to separate the first syllable NU from the rest of the letters. Both marks, are identical in their presentation of using as first syllable the two letters ("NU") separated by a symbol from the syllable DERM. The literal elements of the marks "NU-DERM" and "NU+DERMA" sound similar when pronounced in spite of the use of addition of the vowel, "a". The addition of "A" to the Respondent-Applicant's suffix "DERMA" is negligible because when pronounced, the words NU DERM and NU DERMA sound the same and are *idem sonans*. The use by the contending parties of different symbols, representing a plus and minus sign is insignificant because of the small size of the symbols and the identity of the letters and manner of presentation. Visually and aurally, the marks are confusingly similar.

It is noteworthy that the Opposer's registrations in the Philippines contain the dominant word "NU-DERM", namely: NU-DERM under Certificate of Registration No. 4-2002-009047⁵; OBAGI NU-DERM under Certificate of Registration No. 4-2005-003018⁶ and "NEW TO NU-DERM" under Certificate of Registration No. 4-2013-000741.⁷ The marks NU-DERM and OBAGI NU-DERM are advertised and featured in various magazines⁸ and similarly applied for goods under class 3, namely: "non-medicated astringents, blending creams, clarifiers, cleansing creams and lotions, corrector creams, emollients, exfoliants, eye creams, lighteners, lotions, masks, moisturizers, revitalizers, skin bleaching creams, skin bleaching gels, skin bleaching lotions and skin

⁵ Exhibit "UUUUU"

⁶ Exhibit "VVVVV"

⁷ Exhibit "WWWWW"

⁸ Exhibits "I" to "UU"

bleaching liquids, skin cleansing creams and lotions, skin creams and lotions, sunblocks, sunscreens, toners, gels, serums, and sprays”.

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's it is likely that the consumers will have the impression that these goods originate from a single source or origin. The confusion or mistake would subsist not only the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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. Here, 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.⁹

The public interest, requires that 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 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.¹⁰

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-00010689 is hereby **SUSTAINED**. 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, 07 JUN 2017.



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

⁹*Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

¹⁰*Pribhdas J. Mūpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).