

THE PROCTER & GAMBLE COMPANY,
Opposer,

-versus-

HBC INCORPORATED,
Respondent-Applicant.

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} **IPC No. 14-2015-00471**
} Opposition to:
} Appln. Serial No. 4-2015-008621
} Date Filed: 30 July 2015
}
} **TM: OLAN**
}

NOTICE OF DECISION

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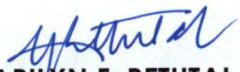
Respondent- Applicant's Representative
HBC Corporate Center
548 Mindanao Avenue corner Quirino Highway
Quezon City

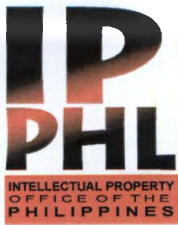
GREETINGS:

Please be informed that Decision No. 2017 - 261 dated 28 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, 29 June 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



**THE PROCTER & GAMBLE
COMPANY,**

Opposer,

- versus -

HBC INCORPORATED,
Respondent-Applicant.

IPC NO. 14 – 2015 - 00471

Opposition to:

Appln Serial No. 42015008621

TM: “OLAN”

DECISION NO. 2017 - 261

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DECISION

The PROCTER & GAMBLE COMPANY (Opposer)¹, filed an Opposition to Trademark Application Serial No. 4-2015-008621. The application filed, by HBC INCORPORATED (Respondent-Applicant)², covers the mark “OLAN” for “*fine fragrances, cologne, body mist, perfumed powder, stick, gel, lotion and cream*” under Class 3 of the International Classification of Goods.³

The Opposer based its Opposition on the following grounds:

1. The trademark OLAN of the Respondent-Applicant is identical and/or confusingly similar to, or is a colorable imitation of, the internationally well-known OLAY trademark registered in the Opposer’s name.
2. The registration of the mark OLAN of the Respondent-Applicant will create confusion and will mislead the public that the Respondent-Applicant’s products originate from, or are sponsored by, the Opposer.
3. The registration of the trademark OLAN of the Respondent-Applicant will be detrimental to the Opposer’s interest and will result in substantial damage to the Opposer.

¹ A corporation organized under the laws of United States of America with business address at One Procter & Gamble Plaza, Cincinnati, Ohio 45202

² A domestic corporation with address at HBC Corp Centre, 548 Mindano Avenue Corner Quirino Highway, Quezon City, Metro Manila

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.

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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4. The Opposer has prior exclusive rights over the internationally well-known OLAY trademark and thus, enjoys protection being the more senior mark over the Respondent-Applicant's mark.

The Opposer's pertinent allegations are quoted as follows:

4. The Opposer is the owner of the internationally well-known mark by prior actual use in commerce and prior registration in different jurisdictions worldwide. x x x

5. The Opposer first used its internationally well-known OLAY trademark in the 1950's, and the mark was first registered in 1963. The Opposer has been using the internationally well-known OLAY trademark openly and continuously around the world since then. To date, the internationally well-known OLAY trademarks are protected in 152 jurisdictions worldwide.

6. The significant overall marketing expenses, which include media expenses, such as, but not limited to, television commercials, outdoor advertisements, print publications, live promotional events, sponsorships and other promotional events even over the internet and other mobile and digital platforms demonstrate that products bearing the internationally well known OLAY trademark have been subject to ever increasing promotion and marketing by the Company since the time that products bearing the internationally well-known trademark OLAY were first launched in the market. The Opposer's marketing expenses for the Asia-Pacific Region alone, including the Philippines, for the fiscal years 2010-2011 to 2014-2015 are shown in the table below:

Fiscal Year	Amount in USD
2014-2015	25,000,000.00
2013-2014	38,000,000.00
2012-2013	58,000,000.00
2011-2012	73,000,000.00
2010-2011	72,000,000.00

7. As a result of its extensive promotion and sales, and as a result of the excellence and innovativeness of the Opposer's products, the Opposer has built and now enjoys valuable goodwill in its business as represented by its internationally well-known OLAY trademark, and the said mark have become distinctive of the Opposer's skin care and beauty products.

8. The Opposer has extensively sold and promoted its products bearing its internationally well-known OLAY trademarks worldwide and has been doing so prior to the Respondent-Applicant's filing of its application for the registration of its mark OLAN with this Honorable Office.

9. The Opposer also maintains the website <http://www.olay.com/en-us> and a Facebook page dedicated to its products bearing the internationally well-known and world-famous trademark OLAY https://www.facebook.com/OlayPhilippines/?brand_redir=54226140581342 where information about the Opposer, its products and the

internationally well-known OLAY trademark can be seen by consumers all over the world, including the Philippines.

10. Notwithstanding the prior use and prior registration of the Opposer's internationally well-known OLAY trademark, the Respondent-Applicant filed with this Honorable Office, Trademark Application No.4-2015-008621 for OLAN on September 28, 2015. Respondent-Applicant seeks to adopt the confusingly and deceptively similar trademark OLAN for identical or closely related goods with the obvious intention of misleading the public into believing that its goods bearing its mark OLAN are similar to, or a variation of, the products of the Opposer which bear the internationally well-known OLAY trademark. Further, it cannot be gainsaid that there clearly is an attempt on the part of the Respondent-Applicant to create the impression that its products bearing its mark OLAN originate from, are licensed or sponsored by, the Opposer, which has been known as the source of effective and reliable skin care and beauty products.

11. The Opposer has not consented to the Respondent-Applicant's use and registration of OLAN, or any other mark identical or similar to its internationally well-known OLAY trademark because it will diminish the distinctiveness and dilute the goodwill of the Opposer's internationally well-known OLAY trademark.

The Opposer submitted the following evidence:

Exhibit "A" – Special Power of Attorney; and

Exhibit "B" – Affidavit of Tara M. Rosnell including Annexes;

A Notice to Answer was served to the Respondent-Applicant on 14 January 2016. However, the Respondent-Applicant did not file any Answer. This Bureau declared the Respondent-Applicant in default through an Order dated 22 November 2016. Accordingly, this case was deemed submitted for Decision.

The issue in the instant case is whether the Respondent-Applicant should be allowed to register the trademark "OLAN."

The Opposition is anchored on Section 123.1 pars. (d) and (f) of Republic Act No. 8293, also known as, the Intellectual Property Code of the Philippines ("IP Code") which provide, as follows:

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; x x x

(f) 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 or services which are not similar to those with respect to which registration is applied for: Provided, that use of the mark in relation to those 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; x x x

Records show that when the Respondent-Applicant filed its trademark application on 30 July 2015, the Opposer has already a prior and existing trademark registration for mark "OLAY." Also, the goods of the Opposer include, among others, perfume, cosmetics and skincare products under Class 3, which are similar and competing goods to that of Respondent-Applicant. Thus, there is a necessity to determine whether the two contending marks resemble each other, such that, it would be likely to deceive or cause confusion.

The two trademarks are shown below for comparison:

OLAY

Opposer's Marks

OLÁN

Respondent-Applicant's
Mark

At the outset, it is apparent that both of the above wordmarks have the same first three letters – "O", "L" and "A". In fact, the only difference between the two marks is their last letter where the Opposer has a letter "Y", while the Respondent-Applicant has a letter "N." This difference in the last letter is not sufficient to visually distinguish the Respondent-Applicant trademark with that of the Opposer.

Even considering the phonetic aspect, the pronunciations of the two trademarks are almost identical. Both of them are composed of two syllables with similar sounding effect – O-LAN vis-avis O-LAY. The very close similarities, both visually and aurally, between the contending wordmarks would create similar commercial impression that would cause confusion on the part of the consumers.

Our Supreme Court has long held that trademarks with *idem sonans* or similarities of sounds are sufficient ground to constitute confusing

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similarity in trademarks.⁴ The Court has held that: Duraflex and Dynaflex;⁵ Lusolin and Sapolin;⁶ Salonpas and Lionpas;⁷ and Celdura and Cordura⁸ were confusingly similar. Definitely, the subject trademarks “OLAN” and “OLAY” fall squarely within this *idem sonans* rule.

Our law does not require that the competing trademarks must be so identical as to produce actual error or mistake. It would be sufficient, for purposes of the law that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.⁹


Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitation, the unanswered riddle is why, of the millions of terms and combination of design available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another’s mark if there was no intent to take advantage of the goodwill generated by the other mark.¹⁰

In the instant case, the Opposer has sufficiently proven that the trademark “OLAN”, being applied by the Respondent-Applicant, is confusingly similar to its earlier registered trademark “OLAY.” Hence, the said Respondent-Applicant’s mark is prohibited to be registered under Section 123.1 of the IP Code.

WHEREFORE, premises considered, the instant opposition to Trademark Application Serial No. 42015008621 is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 42015008621 be returned together with a copy of this Decision to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 28 JUN 2017


Atty. Leonardo Oliver Limbo
Adjudication Officer
Bureau of Legal Affairs

⁴ Marvex Commercial Co., Inc. vs. Petra Hawpia and Co, G.R. No. L-19297, 22 December 1966

⁵ American Wire & Cable Company vs. Director of Patents and Central Banahaw Industries, G.R. L-26557 18 February 1970

⁶ Sapolin Co. vs. Balmaceda, 67 Phil 795

⁷ Marvex Commercial Co., Inc. vs. Petra Hawpia and Co, G.R. No. L-19297, 22 December 1966

⁸ Co Tiong vs. Director of Patents, 95 Phil 1

⁹ American Wire & Cable Co. vs. Director of Patents, et. al., G.R. No. L-26557, February 18, 1970

¹⁰ American Wire & Cable Company vs. Dir. Of Patent , G.R. No. L-26557, February 18, 1970.