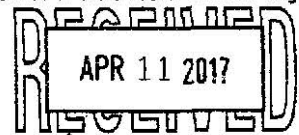




REPUBLIC OF THE PHILIPPINES  
**COURT OF APPEALS**  
 Manila

Intellectual Property Office of the Phils.  
 Office of the Director General-Legal



BY: Mellon TIME: 9:07 AM

**BARGN FARMACEUTICI PHILS., INC.**  
 Petitioner-Appellant.

-versus-

CA G.R. SP NO. SP NO. 135157  
SP NO. 135158

**HEARST COMMUNICATIONS, INC.,**  
 Respondent.

X - - - - - X

**NOTICE OF JUDGMENT**

Date: March 31, 2017

**Sir / Madam:**

Please take notice that on **MARCH 31, 2017**, a **DECISION**, copy hereto attached was rendered by the **SIXTH DIVISION** of the Court of Appeals in the above-entitled case, the original of which is now on file in this office.

You are hereby **REQUIRED** to inform this Court within five (5) days from receipt hereof, of the date when you received this notice, together with the attached copy of decision.

Respectfully,

  
**SELENE VENTURA-CONANAN**  
 Executive Clerk of Court III

Copy Furnished: Registered w/RC

**OFFICE OF THE DIRECTOR GENERAL**  
**ATTY. NATHANIEL S. AREVALO**  
 Intellectual Property Office of the Philippines  
 The IP Center (3 World Center)  
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 4/11/17

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**\*Please notify the Court of any change in your address\***



REPUBLIC OF THE PHILIPPINES  
COURT OF APPEALS  
MANILA

SIXTH (6<sup>th</sup>) DIVISION

BARGN FARMACEUTICI CA-G.R. SP NO. 135157  
PHILS., INC., CA-G.R. SP NO. 135158  
Petitioner-Appellant,

MEMBERS:

DE LEON, *Chairperson*,  
YBAÑEZ,  
MANAHAN, JJ.

- versus -

HEARST COMMUNICATIONS, PROMULGATED:  
INC.,  
Respondent-Appellee. MARCH 31, 2017

 9: 6 PM

DECISION

SALANDANAN MANAHAN, C., J.:

The mark must be considered as a whole and not as dissected. If the buyer is deceived, it is attributable to the marks as a totality, not usually to any part of it<sup>1</sup>.

Before us are two (2) consolidated **Petitions for Review**<sup>2</sup> filed pursuant to Rule 43 of the Revised Rules of Procedure which seek to

<sup>1</sup> *Del Monte Corp. v. CA*, G.R. No. L-78325 January 25, 1990

<sup>2</sup> *Rollo*, CA-G.R. SP NO. 135157, pages 16 - 35 & CA-G.R. SP NO. 135158, pages 17 - 36.

nullify the following issuances of the Office of the Director General of Intellectual Property Office, to wit:

1. **Decision**<sup>3</sup> dated April 21, 2014 which dismissed Appeal No. 14-2013-0018 filed by the petitioner in IPC Case No. 14-2009-00057 (Trademark Application Serial No. 4-2007-013635).

2. **Decision**<sup>4</sup> dated April 21, 2014 which dismissed the Appeal No. 14-2013-0020 filed by the petitioner in IPC Case No. 14-2009-00099 (Trademark Application Serial No. 4-2008-007072).

## THE PARTIES

Petitioner-appellant is a partnership organized and existing under the laws of the Philippines engaged in the business of buying, selling, distributing, marketing at wholesale/retail all kinds of goods, commodities, wares and merchandise of every kind and description such as but not limited to pharmaceuticals and to act as manufacturers representative, commission merchant, factors or agents, relative thereto<sup>5</sup>.

Respondent-appellee on the other hand is a foreign corporation, organized under the laws of Delaware, United States of America, engaged in the business of publishing, selling and distribution of magazines and similar publications<sup>6</sup>.

<sup>3</sup> Rollo, CA-G.R. SP NO. 135157, pages 8 - 14.

<sup>4</sup> Rollo, CA-G.R. SP NO. 135158, pages 8 -14.

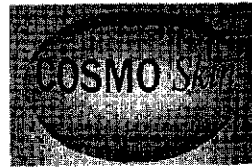
<sup>5</sup> Rollo, CA-G.R. SP NO. 135158, page 219.

<sup>6</sup> Rollo, CA-G.R. SP NO. 135157, page 39.

## THE FACTS

Petitioner-appellant filed a Trademark Application for the registration of the following trademarks illustrated below before the Bureau of Trademarks - Intellectual Property Office, for food supplement under NICE Class Classification No. 05, to wit:

1. Trademark Application Serial No. 4-2007-013635 for "**COSMO SKIN & DEVICE**" (subject matter of CA-G.R. SP NO. 135157);  
and



2. Trademark Application Serial No. 4-2008-007072 for **COSMO BODY & DEVICE** (subject matter of CA-G.R. SP NO. 135158)



Respondent-appellee filed its Verified Oppositions to the aforestated applications on February 24, 2009 and March 30, 2009, respectively. In its **Verified Notice of Opposition**<sup>7</sup> filed on February 24, 2009, the respondent-appellee alleged as follows:

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<sup>7</sup> Rollo, CA-G.R. SP NO. 135157, pages 39 - 45.

Decision

x ----- x

"1. Opposer is a company primarily engaged in the business of publishing and distributing magazines and similar publications. Opposer is the first to adopt and use the 'COSMO', 'COSMOPOLITAN' and derivative marks (hereinafter referred to as 'COSMO' trademarks) for its goods under international classes 9, 14, 16, 18, 25, 38 and 41 in the Philippines and other countries worldwide.

"2. There is a likelihood of confusion between Opposer's trademarks 'COSMO' covering goods under international classes 9, 14, 16, 18, 25, 38 and 41 and Respondent-Applicant's trademark 'COSMO SKIN' because the latter is exactly identical to and closely resembles Opposer's trademarks in appearance, spelling, sound, meaning and connotation.

"3. Opposer's 'COSMO' trademarks are well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, rather than the public at large, as being trademarks owned by the Opposer. There is no doubt therefore, that the Respondent-Applicant intends to ride on the popularity and goodwill of Opposer's 'COSMO' trademarks in adopting and using the trademark 'COSMO SKIN' as such use would indicate a connection between such goods and those of the Opposer's. Thus, the interests of the Opposer are likely to be damaged by Respondent-Applicant's use of the trademark 'COSMO SKIN'

"4. Respondent-Applicant, by using 'COSMO SKIN' as its trademark for goods which are identical and/or related to those of Opposer's, which would be likely to influence purchasers to believe that the 'COSMO SKIN' products are of the Opposer's, thereby

Decision

x ----- x

deceiving the public and defrauding the Opposer of its legitimate trade, hence, Respondent-Applicant is guilty of unfair competition as provided in Section 168.3 of R.A. No. 8293.

"5. Respondent-Applicant, in adopting the trademark 'COSMO SKIN' for its products is likely to cause confusion, mistake or deception as regards its affiliation, connection or association with the Opposer, or as to the origin, sponsorship or approval of its products by the Opposer, for which it is liable for false designation of origin, false description or representation under Section 169 of R.A. No. 8293<sup>8</sup>."

The **Verified Notice of Opposition**<sup>9</sup> dated March 30, 2009 contained essentially the same opposition against the trademark "COSMO BODY AND DEVICE". Respondent-appellee prayed that the application for registration of the trademark "COSMO SKIN AND DEVICE" under international class 5 with Serial No. 4-2007-013635 and "COSMO BODY AND DEVICE" under international class 5, Application Serial No. 4-2008-007072 filed by the petitioner-appellant be denied<sup>10</sup>.

In its **Verified Answer**<sup>11</sup> filed on July 23, 2009, petitioner-appellant specifically denied the claim of the respondent-appellee that it was the first one to use and adopt "COSMO" trademark in the Philippines<sup>12</sup>. Petitioner-appellant narrated that it conceptualized the subject mark "COSMO" from the Greek word "kosmo", meaning a combining form, world or universe<sup>13</sup>. As a manufacturer and distributor of food supplements such as glutathione, L-Carnitine, green tea extract and grape seed extract products, petitioner-appellant directs and caters its products to the women of the world

8 Rollo, CA-G.R. SP NO. 135157, pages 39 - 40

9 Rollo, CA-G.R. SP NO. 135158, pages 43 - 51.

10 Rollo, CA-G.R. SP NO. 135157, page 43 and CA-G.R. SP NO. 135158, page 194.

11 Rollo, CA-G.R. SP NO. 135157, pages 46 - 57 and CA-G.R. SP NO. 135158, pages 52 -63.

12 Rollo, CA-G.R. SP NO. 135157, page 47 and CA-G.R. SP NO. 135158, page 199.

13 Rollo, CA-G.R. SP NO. 135157, page 48.

and to all the missus of the universe<sup>14</sup>.

It averred that respondent-appellee's registered marks are only for the word Cosmopolitan, Cosmo Girl and Cosmopolitan Channel and not for the word "COSMO"<sup>15</sup>. Moreover, the registration of the respondent-appellee was only under international classification 9, 14, 16, 18, 24, 25 36 and 38 which are clearly different from the goods petitioner-appellant provide to the public. Petitioner-appellant pointed out that its goods are food supplements under NICE classification 5, a broad classification of goods (i.e pharmaceutical and veterinary preparations; sanitary preparations for medical purposes, dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; materials for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides while magazines and publications are under Class 16.

To further support its claim, petitioner-appellant submitted its Articles of Partnership, Certificates of Product Registration issued by the Food and Drug Administration (then, Bureau of Food and Drug), photo of its representative samples of labeled boxes and packaging, and sales invoice. Thus, petitioner-appellant prayed that Trademark Application No. 4-2007-013635 for the mark COSMO SKIN & DEVICE and Trademark Application No. 4-2008-007072 for the mark COSMO BODY & DEVICE be allowed registration<sup>16</sup>.

A preliminary conference was conducted and eventually terminated on February 18, 2010. Thereafter, parties submitted their Position Papers to prove their respective claims<sup>17</sup>.

On April 10, 2013, the Director IV of the Bureau of Legal Affairs of the Intellectual Property Office issued **Decision No. 2013-64**<sup>18</sup>

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<sup>14</sup> *Ibid.*

<sup>15</sup> *Ibid.*

<sup>16</sup> *Rollo, CA-G.R. SP NO. 135157, page 53 and CA-G.R. SP NO. 135158, page 206.*

<sup>17</sup> *Rollo, CA-G.R. SP NO. 135157, page 67.*

<sup>18</sup> *onlineservices.ipophil.gov.ph/ipcaselibrary/main.html*

sustaining the opposition filed against Trademark Application No. 4-2007-013635 in IPC Case No. 14-2009-00057, pertinent portions of which read:

"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.

"x x x

"Records show that at the time the Respondent-Applicant filed its trademark application on 11 December 2007, the Opposer has existing trademark registrations, as follows:

"1. Reg. No. 4-1995-104076 issued on 14 December 1999 for 'COSMOPOLITAN' for good under Class 09;

"2. Reg. No. 4-1997-122792 issued on 24 August 2003 for 'COSMOPOLITAN CHANNEL' for goods under Class 38;

"3. Reg. No. 4-2002-002730 issued on 20 March 2005 for 'COSMOGIRL' for goods under Class 16;

"4. Reg. No. 4-2003-002757 issued on 23 July 2005 for 'COSMOPOLITAN TELEVISION' for goods under Class 24.

"5. Reg. No. 4-2003-0001897 issued on 19 December 2005 for "COSMOPOLITAN" for goods under Class 36;

"6. Reg. No. 4-1995-104078 issued on 23 June 2000 for



Decision

x ----- x

"COSMOPOLITAN" for goods under Class 18;

"7. Reg. No. 4-2003-001361 issued on 20 November 2005 for "COSMOPOLITAN" for goods under class 14; and

"8. Reg. No. 4-2003-001362 issued on 20 November 2005 for "COSMOPOLITAN" for goods under class 25.

"The Respondent-Applicant cited that its mark was derived from the Greek word "kosmo". In concept therefore, "kosmo" could be considered different from the "COSMO" in the Opposer's marks - the full term or word being "COSMOPOLITAN". But such conceptual difference would hardly deflect the consumers' perception that composition or structure-wise, "COSMO" is similar or related to the Opposer's mark. There is no doubt that the defining feature or component of the Opposer's marks is the combination of the syllabus "COS" and "MO". "COSMO" draws the eyes and the ears and is the feature that leaves an impression in the senses and minds of the consumers.

"In this regard, Section 123.1 (d) and (f) of the IP Code, provides that a mark cannot be registered

"x x x

"This Bureau disagrees with the Respondent-Applicant's contention that its mark should be allowed registration because its trademark application covers goods that are different from the Opposer's. The prohibition still apply pursuant to sub-paragraph (iii) of Section 123. 1 (d) of the IP Code which prohibits the registration of a mark if it nearly resembles a previously registered or applied mark belonging to another proprietor and which likely to cause confusion or deception. Also, Sec. 123.1 (f) of the IP Code prohibits the registration of such mark if it is identical or confusingly similar to a registered mark declared by competent authority as a well-

Decision

x ----- x

known mark. The Opposer submitted evidence that satisfies the criteria for determining whether a mark is well-known as laid down in Article 102 of the Trademark Regulations. The regulations state that in determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

"1. the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;

"2. the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;

"3. the degree of the inherent or acquired distinction of the mark;

"4. the quality-image or reputation acquired by the mark;

"5. the extent to which the mark has been registered in the world;

"6. the exclusivity of registration attained by the mark in the world;

"7. the extent to which the mark has been used in the world;

"8. the exclusivity of use attained by the mark in the world;

"9. the commercial value attributed to the mark in the world;

"10. the record of successful protection of the

Decision

x ----- x

rights in the mark;

"11. the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and

"12. the presence of absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.

"The Opposer submitted as evidence copies of certificates of trademark registration in the Philippines, list of registrations of its marks in different countries worldwide, sales of products bearing its marks by country covering the period from 1996-2002 and 2007, representative samples of its promotional and advertising materials, copies of foreign decisions pertaining to marks, list of magazines international editions, actual labels, receipts/invoices, and a compact disc containing sample foreign certificates of registration and data on use worldwide of marks. The foreign decisions particularly dealt in with the fame and reputation of the Opposer's mark especially in respect of magazines, publications and other goods relating to or promoting women's beauty and fashion.' The publications carry not only articles but also advertisements on health, beauty and fashion. Precisely, there is commonality between the parties as to the nature of and the market for their respective goods. The Respondent-Applicant itself explained:

'x x x Respondent as a manufacturer of food supplements among them glutathione, L-Carnitine, green tea extract and grape seed extract products (food supplement, among others) directs and caters its beautifying and age defying products to the women of the world and to all the missus of the universe. Thus, the COSMO SKIN trademark was born,

*Decision*

x ----- x

which goods are for the modern woman's (COSMO) skin".'

"Because the Opposer's marks are well-known and highly distinctive, there is the likelihood that information, assessment, perception or impression about the Respondent-Applicant's goods may unfairly cast upon or attributed to the Opposer, and vice-versa. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:

'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. 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.

"It must be stressed that the determinative factor in issues regarding the registration of a mark is not whether the mark would actually cause confusion or deception. Rather, the determinative factor in such contests is whether such mark would likely cause confusion or mistake on the part of the purchasing public. To constitute an infringement of an existing trademark, the competing trademarks need not be identical. It is sufficient that the similarity is such that there is a possibility of the purchaser of the older brand mistaking the newer brand for it.

Decision

x ----- x

"WHEREFORE, premises considered, the instant Opposition is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 4-2007-013635 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

"SO ORDERED"

The Director of Bureau of Legal Affairs used the same ratiocination in its **Decision No. 2013-66**<sup>19</sup> dated April 10, 2013 for Trademark Application No. 4-2008-007072 in IPC Case No. 14-2009-00099.

Appalled with the foregoing Decisions, the petitioner-appellant filed **Appeal Memorandum**<sup>20</sup> in IPC Case No. 14-2009-00057 for Trademark Application No. 4-2007-013635 and **Appeal Memorandum**<sup>21</sup> in IPC Case No. 14-2009-00099 for Trademark Application No. 4-2008-007072. before the Office of the Director General of the Intellectual Property Office which was however dismissed by Director General Blancaflor. Relevant portion of the **Decision**<sup>22</sup> dated April 21, 2014 in Trademark Application No. 4-2007-013635 provides:

In this instance, at the time the Appellant filed its application to register -COSMO SKIN & DEVICE, the Appellee is the registered owner of -COSMOPOLITAN for prints, publications and books. The Appellant is, therefore, applying the registration of its mark on a class of goods different from those covered by COSMOPOLITAN. Thus, the relevant question is whether the registration of the Appellant's mark is likely to deceive or cause confusion.

"x x x

<sup>19</sup> Rollo, CA-G.R. SP NO. 135158, pages 309 - 317.

<sup>20</sup> Rollo, CA-G.R. SP NO. 135157, page 69 -88.

<sup>21</sup> Rollo, CA-G.R. SP NO. 135158, pages 319 - 340.

<sup>22</sup> Rollo, CA-G.R. SP NO. 135157, pages 8 - 14.

Decision

x ----- x

"Below are the reproductions of the Appellant's and Appellee's marks as submitted to his Office:



**COSMOPOLITAN**

**COSMOGIRL!**

Appellant's mark

Appellee's Mark

"At a glance one can see the presence of "COSMO" in all these marks. The similarity of these marks gives the impression that the Appellant's mark is just a variation of the Appellee's mark is just a variation of the Appellee's marks or vice versa. That the Appellant is using its mark for goods different from those covered by the Appellee's marks cannot justify the registration of COSMO SKIN & DEVICE.

"x x x

"In this regard, while the Appellant's mark covers goods that are different from the goods/services covered by the Appellee's marks, the Appellant's products may be assumed to originate with the Appellee and the public would then be deceived to believe that there is some connection between the Appellant and the Appellee, which, in fact, does not exist. The likelihood of confusion would subsist on the purchaser's perception of the origin of the goods. Consequently, the registration of the Appellant's mark would cause damage to the interests of the Appellee as the latter has no control over the products of the Appellant.

"x x x

"In addition, the Supreme Court of the Philippines also held in one case that:

"Of course, as in all other cases of colorable imitations, the unanswered riddle is why, of

Decision

x ----- x

the millions of terms and combinations of letters and designs available, the appellee had to choose those so closely similar to another's trademark if there was no intent to take advantage of the good will generated by the other mark.

"WHEREFORE, premises considered, the appeal is hereby dismissed.

"Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this Decision for information, guidance and records purposes."

The appeal taken by the petitioner-appellant in Trademark Application No. 4-2008-007072 was likewise dismissed by the Director General in its **Decision**<sup>23</sup> dated April 21, 2014

Consequently, the petitioner filed the instant petition for review raising the following issues, to wit:

I.

WHETHER OR NOT RESPONDENT'S  
COSMOPOLITAN TRADEMARKS ARE SIMILAR  
AND/OR CONFUSINGLY SIMILAR TO THE  
PETITIONER'S COSMO SKIN & DEVICE  
TRADEMARKS

II.

ASSUMING ARGUENDO , THAT THERE IS SUCH

<sup>23</sup> Rollo, CA-G.R. SP NO. 135158, pages 8 -14.

Decision

x ----- x

SIMILARITY/CONFUSING SIMILARITY, WHETHER  
OR NOT CONFUSION OF GOODS AND/OR  
CONFUSION OF BUSINESS WILL RESULT/ARISE

III.

WHETHER OR NOT THE ALLEGED  
INTERNATIONAL WELL-KNOWNNESS OF  
RESPONDENT'S MARKS IN THE  
PUBLICATION/MEDIA INDUSTRY SHOULD BAR  
THE REGISTRATION OF PETITIONER'S COSMO  
SKIN & DEVICE TRADEMARK INTENDED FOR  
ANOTHER INDUSTRY, SPECIFICALLY, THE FOOD  
SUPPLEMENT MARKET.

IV.

WHETHER OR NOT THE CASES CITED BY THE  
BLA-IPO IN THE DECISION NO. 2013-64 ARE  
APPLICABLE IN THE CASE AT BAR.

**ISSUE**

The sole issue to be resolved in this case is Whether or not  
Cosmo Skin & Device and Cosmo Body & Device are confusingly  
similar with the trademark Cosmopolitan.

**OUR RULING**

The petition is meritorious.

Trademark is any distinctive word, name, symbol, emblem,  
sign, or device, or any combination thereof, adopted and used by a  
manufacturer or merchant on his goods to identify and distinguish



them from those manufactured, sold, or dealt by others<sup>24</sup>.

Respondent-appellee used the term "COSMOPOLITAN" to identify its goods and services under international classes 9, 14, 16, 18, 25, 38 and 41. It interposed its opposition to petitioner-appellant's trademark application on the ground that it is the first to adopt and use the word "COSMO", "COSMOPOLITAN" and its derivative marks. Thus, to allow the petitioner-appellant to use the terms "COSMO SKIN & DEVICE" and "COSMO BODY & DEVICE" would cause confusion to the general public.

Can respondent-appellee claim exclusive use of the term "COSMO" or was it necessarily included in its registration under international classes 9, 14, 16, 18, 25, 38 and 41?

We rule in negative.

It is undisputed that the registration of the respondent-appellee is for the term "COSMOPOLITAN" alone and does not necessarily include the term "COSMO". Respondent-appellee's overwhelming evidence show that they used the term "COSMOPOLITAN" to identify its goods and services.

Ordinarily, the ownership of a trademark or tradename is a property right that the owner is entitled to protect as mandated by the Trademark Law. However, when a trademark is used by a party for a product in which the other party does not deal, the use of the same trademark on the latter's product cannot be validly objected to<sup>25</sup>. Certificate of registration confers upon the trademark owner the exclusive right to use its own symbol only to those goods specified in the certificate, subject to the conditions and limitations stated therein<sup>26</sup>.

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<sup>24</sup> *Dermaline Inc., v. Myra Pharmaceuticals, Inc.*, G.R. No. 190065, August 16, 2010.

<sup>25</sup> *Canon Kabushiki Kaisha v. Court of Appeals & NSR Rubber Corporation*, G.R. No. 120900. July 20, 2000.

<sup>26</sup> *Ibid.*

Decision

x ----- x

Moreover, Section 123.1 of Republic Act 8293, otherwise known as the Intellectual Property Code, provides for the rules on registrability of a trademark, thus:

*SECTION 123. Registrability. — A mark cannot be registered if it:*

*a. 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;*

*b. Consists of the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or of any foreign nation, or any simulation thereof;*

*c. Consists of a name, portrait or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the Philippines, during the life of his widow, if any, except by written consent of the widow;*

*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;*

*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 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 knowledge of the relevant sector of the public, rather than of the public at large, including*

*knowledge in the Philippines which has been obtained as a result of the promotion of the mark;*

*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;*

*g. Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;*

*h. Consists exclusively of signs that are generic for the goods or services that they seek to identify;*

*i. Consists exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practice;*

*j. Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services;*

*k. Consists of shapes that may be necessitated by technical factors or by the nature of the goods themselves or factors that affect their intrinsic value;*

*l. Consists of color alone, unless defined by a given form; or*

*m. Is contrary to public order or morality. (Emphasis ours.)*

It is clear in this case that petitioner-appellant was applying for the registration of its mark on a class of goods different from that of the respondent-appellee's. However, both the Bureau of Legal Affairs and the Director General opined that while the parties are engaged in different types of businesses, the use of COSMO SKIN & DEVICE and/or COSMO BODY & DEVICE would likely cause confusion to the general public. We do not agree.

In the case of *Mighty Corporation v. E. & J. Gallo Winery*<sup>27</sup> the Supreme Court factored in the following parameters to determine whether a trademark may cause confusion to the general public, thus:

*"Non-competing goods may be those which, though they are not in actual competition, are so related to each other that it can reasonably be assumed that they originate from one manufacturer, in which case, confusion of business can arise out of the use of similar marks. They may also be those which, being entirely unrelated, cannot be assumed to have a common source; hence, there is no confusion of business, even though similar marks are used. Thus, there is no trademark infringement if the public does not expect the plaintiff to make or sell the same class of goods as those made or sold by the defendant.*

*In resolving whether goods are related, several factors come into play:*

- (a) the business (and its location) to which the goods belong*
- (b) the class of product to which the goods belong*
- (c) the product's quality, quantity, or size, including the nature of the package, wrapper or container*

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<sup>27</sup> G.R. No. 154342, July 14, 2004.

- (d) *the nature and cost of the articles*
- (e) *the descriptive properties, physical attributes or essential characteristics with reference to their form, composition, texture or quality*
- (f) *the purpose of the goods*
- (g) *whether the article is bought for immediate consumption, that is, day-to-day household items*
- (h) *the fields of manufacture*
- (i) *the conditions under which the article is usually purchased and*
- (j) *the channels of trade through which the goods flow, how they are distributed, marketed, displayed and sold." (Emphasis and underscoring ours.)*

Considering the aforecited factors, this Court is convinced that the goods and/or services which the petitioner-appellant provides would not in any way cause confusion as the public would not expect a printing and media company to sell food supplement products.

As to the issue of similarity in the marks, We find that petitioner-appellant's logo is not confusingly similar with that of the respondent-appellee's. The determinative factor in ascertaining whether or not marks are confusingly similar to each other is not whether the challenged mark would actually cause commission or deception of the purchasers **but whether the use of such mark would likely cause confusion or mistake on the part of the buying public**<sup>28</sup>.

**In *Dermaline, Inc. v. Myra Pharmaceuticals, Inc.***<sup>29</sup>, the Supreme

<sup>28</sup> *Converse Rubber Corporation v. Universal Rubber Products, Inc., and Tiburcio S. Evalle*, G.R. No. L-27906, January 8, 1987.

<sup>29</sup> G.R. No. 190065, August 16, 2010.

Court held that in determining likelihood of confusion, two test must first be made, thus:

*"In determining likelihood of confusion, case law has developed two (2) tests, the Dominancy Test and the Holistic or Totality Test.*

*"The Dominancy Test focuses on the similarity of the prevalent features of the competing trademarks that might cause confusion or deception. It is applied when the trademark sought to be registered contains the main, essential and dominant features of the earlier registered trademark, and confusion or deception is likely to result. Duplication or imitation is not even required; neither is it necessary that the label of the applied mark for registration should suggest an effort to imitate. The important issue is whether the use of the marks involved would likely cause confusion or mistake in the mind of or deceive the ordinary purchaser, or one who is accustomed to buy, and therefore to some extent familiar with, the goods in question. Given greater consideration are the aural and visual impressions created by the marks in the public mind, giving little weight to factors like prices, quality, sales outlets, and market segments. The test of dominancy is now explicitly incorporated into law in Section 155.1 of R.A. No. 8293 which provides:*

*"155.1. Use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark or the same container or a dominant feature thereof in connection with the sale, offering for sale, distribution, advertising of any goods or services including other preparatory steps necessary to carry out the sale of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; (emphasis supplied)*

*"On the other hand, the Holistic Test entails a*

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*consideration of the entirety of the marks as applied to the products, including labels and packaging, in determining confusing similarity. The scrutinizing eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels so that a conclusion may be drawn as to whether one is confusingly similar to the other."*

Dominancy and Holistic Tests are further explained by the Supreme Court in *Berris Agricultural Co., Inc. v. Abyadang*, thus:

*"In determining similarity and likelihood of confusion, jurisprudence has developed tests — the Dominancy Test and the Holistic or Totality Test. The Dominancy Test focuses on the similarity of the prevalent or dominant features of the competing trademarks that might cause confusion, mistake, and deception in the mind of the purchasing public. Duplication or imitation is not necessary; neither is it required that the mark sought to be registered suggests an effort to imitate. Given more consideration are the aural and visual impressions created by the marks on the buyers of goods, giving little weight to factors like prices, quality, sales outlets, and market segments.*

*"In contrast, the Holistic or Totality Test necessitates a consideration of the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing on both labels so that the observer may draw conclusion on whether one is confusingly similar to the other<sup>30</sup>." (Emphasis and underscoring ours.)*

Applying the foregoing tests, it would appear that there are no confusing similarity between the two marks. It could be easily gleaned from the distinctive logo of the petitioner-appellant the

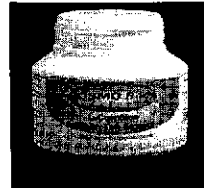
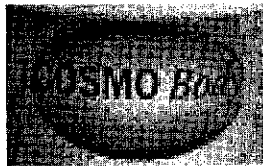
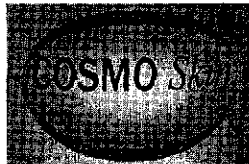
<sup>30</sup> G.R. No. 183404. October 13, 2010.

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difference from the words "COSMOPOLITAN" as written in respondents-appellee's magazines or other publications. The terms COSMO BODY & DEVICE and COSMO SKIN & DEVICE as shown in petitioner-appellant's food supplements are visually and aurally different from the trademark of the respondent-appellee. Glaring differences are illustrated below:

Petitioner-appellant's trademarks:



Respondent-appellee's trademark:

**COSMOPOLITAN**

It must be pointed out that the discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion whether one is confusingly similar to the other<sup>31</sup>.

<sup>31</sup> *Mead Johnson And Company v. N. V. J. Van Dorp, Ltd., Et Al.*, G.R. No. L-17501, April 27, 1963.



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**WHEREFORE**, in view of the foregoing premises, the instant Petitions for Review are hereby **GRANTED** and the following assailed Decisions are **REVERSED AND SET ASIDE**, to wit:

1. **Decision** dated April 21, 2014 which dismissed Appeal No. 14-2013-0018 filed by the petitioner in IPC Case No. 14-2009-0057 for Trademark Application Serial No. 4-2007-013635 (**CA-G.R. SP No. 135157**).

2. **Decision** dated April 21, 2014 which dismissed the Appeal No. 14-2013-0020 filed by the petitioner in IPC Case No. 14-2009-00099 for Trademark Application Serial No. 4-2008-007072 (**CA-G.R. SP No. 135158**).

Accordingly, Trademark Application Serial No. 4-2007-013635 and Trademark Application Serial No. 4-2008-007072 are **GIVEN DUE COURSE**. The Office of the Director General - Intellectual Property Office is ordered to proceed with the aforementioned applications with dispatch.

**SO ORDERED.**

(ORIGINAL SIGNED)

**CARMELITA SALANDANAN MANAHAN**

*Associate Justice*

CERTIFIED TRUE COPY:

  
**SELENE VENTURA CONANAN**  
Executive Clerk of Court II  
Court of Appeals

**WE CONCUR:**

(ORIGINAL SIGNED)

**MAGDANGAL M. DE LEON**

*Associate Justice*

(ORIGINAL SIGNED)

**ELIHU A. YBAÑEZ**

*Associate Justice*

**CERTIFICATION**

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

(ORIGINAL SIGNED)

**MAGDANGAL M. DE LEON**

*Associate Justice*

Chairperson, Sixth Division