

CECILIA DERIQUITO MERCADO,
Opposer,

-versus-

DINA STALDER,
Respondent-Applicant.

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IPC No. 14-2013-00430
Opposition to:

Appln. Serial No. 4-2013-00005817
Date Filed: 22 May 2013

TM: TYRO WHITE

NOTICE OF DECISION

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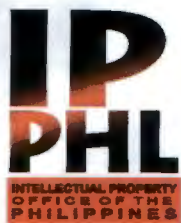
GREETINGS:

Please be informed that Decision No. 2017 - 309 dated 09 August 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, 09 August 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



**CECILIA DERIQUITO
MERCADO,**
Opposer,

IPC No. 14-2013-00430
Opposition to:

- versus -

Appln. No. 4-2013-00005817
Date Filed: 22 May 2013

DINA STALDER,
Respondent-Applicant.

Trademark:  **"TYRO WHITE"**

Decision No. 2017 - 309

X----- X

DECISION

CECILIA DERIQUITO MERCADO ("Opposer")¹, filed a verified opposition to Trademark Application Serial No. 4-2013-00005817. The application, filed by DINA STALDER ("Respondent-Applicant")², covers the mark "TYRO WHITE" for use on goods under class 03³ namely: *soaps, astringent, face and body whitening lotion, skin whitening cream, toners, serum.*

The Opposer alleges that it is the prior adopter, actual user and registered owner of the brand name "SKINCEUTIQUE TYROWHITE" with the Bureau of Food and Drugs which she applied as early as 24 August 2006 and was issued the corresponding Certificate of Product Registrations (CPR) for SKINCEUTIQUE TYROWHITE CREAM and SKINCEUTIQUE TYROWHITE TONER on 18 October 2006 by the Bureau of Food and Drugs (BFAD).

The Opposer further alleges that through her company, DS Cosmeceutical Manufacturing Laboratory, she was the first to actually use the said brand name or mark "SKINCEUTIQUE TYROWHITE" for goods covering cream and toner, which was manufactured and sold as early as February 2007; and continuously manufactures, distributes, sells, uses, and owns the mark "SKINCEUTIQUE TYROWHITE" up to the present. As such, it has already established a good name and goodwill among consumers, most of which are medical dermatologists who are her customers/purchasers of SKINCEUTIQUE TYROWHITE CREAM and SKINCEUTIQUE TYROWHITE TONER, and which in turn are prescribed to her patients.

According to the Opposer, at the time Respondent-Applicant filed an application for registration of the mark TYRO-WHITE which matured into Registration No. 42007012921, and

¹ With address on record at 119 Matimtiman Street, Sikatuna Village, Quezon City.
² With address on record at Dela Paz Building, 1570 Dapitan Street, Sampaloc City, Manila.
³ The Nice Classification of goods and services is for registering trademark and service marks, based on a 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.

even at the time of filing of the instant application for the mark "TYRO WHITE" with the Intellectual Property Office, the latter is not the owner nor licensee of the mark TYRO-WHITE nor has she been authorized by the Opposer who is the real and rightful owner of the mark "SKINCEUTIQUE TYROWHITE" for toner and cream. In fact, Respondent-Applicant has not used nor sold its products in commerce at the time she applied for registration of the mark TYRO-WHITE on 20 November 2007, and she again applied for the subject mark's registration on 22 May 2013. Moreover, Respondent-Applicant has not even applied nor registered its TYRO-WHITE cosmetic products with the Bureau of Food and Drugs as of 23 June 2010 as provided in the letter of Miss Jesusa Joyce N. Cirunay.

Finally, Opposer hereby puts in issue that the mark "TYRO WHITE" of Respondent-Applicant is confusingly similar to her "SKINCEUTIQUE TYROWHITE", it being the dominant feature of her brand name or mark "SKINCEUTIQUE TYROWHITE" which the Opposer has registered with the BFAD as early as 18 October 2006; and distributing/selling directly to dermatologists since 2007 up to the present.

The Opposer submitted the following evidence:

1. Judicial Affidavit of Opposer Cecilia Deriquito Mercado;
2. Certified true copy (Ctc) of Certification duly signed by William Gilbert Mateo;
3. Ctc of Sales Invoice No. 05051 dated 30 January 2006 issued by Accord International Inc. to DS Cosmeceutical Mfg. Lab.;
4. Ctc of License to Operated as a Cosmetic Laboratory by BFAD to DS Cosmeceutical Mfg. Lab.;
5. Ctc of Letter of Opposer dated 17 May 2010 to BFAD for automatic renewal of license;
6. Ctc of Certificate of Product Registration No. CR-22969 dated 18 October 2006 for SKINCEUTIC TYROWHITE TONER issued by BFAD;
7. Ctc of Template for Notification of Cosmetic Product for Product Notification NN-08-0203, NN-10-13189 for SKINCEUTIQUE TYROWHITE CREAM; and, NN-080204, and NN-10-12190 for SKINCEUTIQUE TYROWHITE TONER;
8. Ctc of Certification from Minerva Printing Corporation;
9. Summary of Delivery Receipts and Sales Invoices; Ctc/duplicate original of Delivery receipts and sales invoices of SKINCEUTIQUE TYROWHITE TONER and SKINCEUTIQUE TYROWHITE CREAM products delivered and sold from June 2011 to February 2007;
10. Ctc of the Affidavit of Waysinet Deriquito, company Pharmacist and Technical Officer of DS Cosmeceutical Manufacturing Laboratory on the formulation of SKINCEUTIQUE TYROWHITE cream and toner;
11. Ctc of Opposer's letter dated 23 June 2010 to Jesus Joyce Cirunay, BFAD;
12. Ctc of letter response of Cirunay dated 29 June 2010;
13. Print-out of IPOPHL e-Gazette on TYRO WHITE Application No. 4-2013-0000581;
14. Ctc of Opposer's application for registration of SKINCEUTIQUE TYROWHITE AND DEVICE on 28 June 2010;
15. Ctc of Administrative Order No. 2005-0016 dated 21 June 2005, and its Sec. 2, page 3 on the general Policies and Guidelines Governing Brand Names of Products; and,

16. Certifications of Dr. Grichelle Guillano, Dr. Karen Tanedo Guillano, Dr. Cynthia M. Aranilla Tanedo, Dr. Remedios M. Manuel, and Dr. Ofelia Victoria Luis as buyers of SKINCEUTIQUE TYROWHITE TONER and CREAM.

On 08 April 2014, Respondent-Applicant filed her Answer. The Affirmative Allegations provide that she started her cosmetics business in 1988 using Beauchamps Pharmacy as her business name. On 20 March 1998, she incorporated BCP Dermatological Corp. (BCP), wherein she was and up to date, still the absolute majority stockholder. BCP Dermatological Corp. has been duly licensed by the Bureau of Food and Drug (BFAD), now known as Food and Drug Administration (FDA) to operate as a Cosmetic Trader. On 07 December 1999, Respondent-Applicant incorporated Stalder's Laboratory, Inc. wherein she was and up to date, together with her husband, is still the absolute majority stockholder. Stalder's Laboratory has been duly licensed by BFAD/FDA to operate as a Cosmetic Manufacturer.

The Respondent-Applicant likewise alleges that in 2004, she requested Accord International Inc. to provide Stalder's Laboratory, Inc. with TYROSTAT-II for the formulation and production of skin whitening cosmetic products. In 2006, Respondent-Applicant, through BCP, conducted market testing of its "TYRO-WHITE" Cream, and on 18 October 2006, started with its commercial sale. On 16 February 2007, Stalder's Laboratory, Inc. received additional TYROSTAT-II from Accord International. Inc., and after conducting market testing, BCP started the commercial sale of "TYRO WHITE" Lotion, up to the present.

In this connection, Respondent-Applicant through her companies, manufactures and sells beauty soaps and other cosmetic products under the trademark "TYRO WHITE". In fact, on 06 September 2007, after her duly qualified Dermatologist/Trialist, Dr. Gertrude P. Chan, M.D., M.Sc., FPDS, conducted clinical trial on Respondent-Applicant's "TYRO WHITE" Cream and Lotion from 30 July to 17 August 2007, she applied for its product registration the BFAD. Thus, on 20 November 2007, Respondent-Applicant filed Application SN 4-2007-012921 for the registration of the mark "TYRO-WHITE" for use on soaps, astringents, face and body whitening lotion, skin whitening cream, toners, serum falling under class 03, which was issued Certificate of Registration No. 4-2007-012921 on 19 April 2008. This continues to be in full force and effect after filing the required Declarations of Actual Use. Last 22 May 2013, Respondent-Applicant filed this subject application as variant of her registered mark.

Respondent-Applicant maintains that her subject application is not proscribed by Sec. 123.1 (d) of the IP Code as she acquired the ownership rights over the trademark "TYRO-WHITE" through registration in accordance with the IP Code. In fact, the Opposer only applied for mark registration on 28 June 2010, after Respondent-Applicant filed Criminal Complaints against Opposer for Infringement and Unfair Competition. Accordingly, Respondent-Applicant is the legal owner of both "TYRO-WHITE" and "TYRO WHITE" trademarks. She started using the "TYRO WHITE" mark for cream on 18 October 2006, and the "TYRO WHITE" for lotion on 23 February 2007; and continues to use the trademark "TYRO WHITE" on various cosmetic products up to the present. Accordingly, Opposer failed to present substantial evidence to prove her allegations of first or prior user of the mark TYRO WHITE because the various exhibits submitted fall short of the substantial evidence required.

The Respondent-Applicant submitted the following evidence:

1. Certified machine copy of the Certificate of Incorporation and Articles of Incorporation of BCP Dermatological Corp.;
2. Certificates issued by the Bureau of Food and Drugs (BFAD) to BCP Dermatological Corp. to operate as cosmetic trader;
3. Certified machine copy of the Certificate of Incorporation and Articles of Incorporation of STALDER'S LABORATORY, INC.;
4. Certificates issued by the BFAD to STALDER'S LABORATORY, INC.;
5. Certified copy of the forwarding letter from Accord International, Inc dated 23 September 2004 to Stalder's Laboratory, Inc regarding the supply of TYROSTAT-II;
6. Representative sales invoice of BCP Dermatological Corp. on sale of "TYRO WHITE" Cream, "TYRO WHITE" Lotion, and "TYRO WHITE" soap and other cosmetic products;
7. Certified copy of the forwarding letter dated 16 February 2007 from Accord International, Inc. to Stalder's Laboratory regarding additional TYROSTAT-II;
8. Notifications of Cosmetic Product No. NN-12-12528 for TYRO-WHITE SOAP dated 31 August 2012 and No. NN-2013-1113130848 for TYRO-WHITE TONER dated 06 November 2013;
9. Applications for Product Registration of "TYRO WHITE" Cream and "TYRO WHITE" Lotion on 6 September 2007, Clinical Report of Dr. Chan on 22 August 2007, and Certificate of Product Registration of "TYRO WHITE" Cream dated 14 November 2007 issued by the BFAD;
10. Certified copy of Certificate of Registration No. 4-2007-012921 for the trademark TYRO WHITE issued on 19 April 2008;
11. Declarations of Actual Use on 25 March 2008, 07 May 2013 (5th anniversary), respectively, in connection with Registration No. 4-2007-012921;
12. Application SN 4-2013-005817 for the registration of TYRO WHITE on 22 May 2013 for soaps, astringents, face and body whitening lotion, skin whitening cream, toners, serum under class 3;
13. Print-out of e-Gazette for publication of Application SN 4-2013-005817;
14. Print-out of Opposer's Application SN 4-2010-006927 for the registration of SKINCEUTIQUE;
15. Information for Trademark Infringement and Unfair Competition filed against Cecilia Deriquito Mercado in RTC Manila, the Resolution of the City Prosecutor of Manila and the Warrants of Arrest issued by Branch 46, RTC Manila;
16. Templates for Notification of Cosmetic Product No. NN-08-1757, NN-12-7175, and NN-2013-090404218;
17. Template for Notification of Cosmetic Product No. NN-2013-0903085633 for TYRO WHITE Lotion;
18. Copy of letter dated 05 August 2010 of Jesusa Joyce N. Cirunay, Chief, Products Services Division of the FDA to Waysinet D. Deriquito, Technical Officer of Opposer's company; and,
19. Duly notarized affidavit of Respondent-Applicant Dina D. Stadler.


The preliminary conference was held and terminated on 21 September 2015; and the parties submitted their respective Position Papers.

Hence, this instant case is submitted for decision.

Should the Respondent-Applicant be allowed to register the trademark TYRO WHITE?

Prefatorily, 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 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.⁴

Records reveal that at the time the Respondent-Applicant filed the application for registration of the subject mark on 22 May 2013, she has already valid and existing registration of the mark "TYRO-WHITE" issued as early as 19 April 2008 under Certificate of Registration No. 4-2007-012921.⁵ On the other hand, the Opposer has not presented any application for trademark registration nor registration of the mark or brand "SKINCEUTIQUE TYROWHITE" or its variants.

Obviously, Opposer's brand name "SKINCEUTIQUE TYROWHITE"; and Respondent-Applicant's trademarks "TYRO-WHITE" and  "TYRO WHITE" contain the identical word "TYRO WHITE", which is an invented word and is highly distinctive with respect to the goods to which it is attached. Moreover, it appears that what is retained in the memory of a purchaser is the word "TYRO WHITE", despite the presence of the word "SKINCEUTIQUE" of the Opposer.

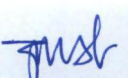
Further, the illustrated marks cover similar and/or related goods. Opposer's "SKINCEUTIQUE TYROWHITE" is the brand name for toner and cream. Respondent-Applicant's "TYRO WHITE" marks are for soaps, astringent, face and body whitening lotion, skin whitening cream, toners, serum. Indeed, the contending marks cover skin care or cosmetic products that are found in the same channels of business and trade and/or cater its products to the same segment of consumers. Thus, the consumers will have the impression that these products originate from a single source or origin or they are associated with one another. The likelihood of confusion therefore, would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:⁶

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


⁴ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

⁵ IPPHL Philippine Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 07 August 2017).

⁶ Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987



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.

After careful study of the alleged facts and perusal of the pieces of evidence presented by parties, this Bureau finds that Respondent-Applicant was able to establish ownership over the trademarks "TYRO-WHITE" and  "TYRO WHITE". Respondent-Applicant proved by substantial evidence that she is the registrant, prior user and adopter of the subject mark and in fact, has prior, actual and continuing commercial use of the same. She submitted evidence relating to the beginning of the dermatological business as cosmetic trader and manufacturer, through her various companies⁷. Respondent-Applicant has likewise shown its continuous presence and use in Philippine market, particularly through sales invoices which are duly registered with the Bureau of Internal Revenue (BIR)⁸ as early as October 2006. To substantiate, Respondent-Applicant submitted documentary compliances and product certification registration with the appropriate body or agency⁹.

In contrast, the Opposer's evidence fall short of the required proof that she is the prior adopter and actual user of "SKINCEUTIQUE TYROWHITE" containing the word TYRO WHITE. Opposer's evidence consisting of delivery receipts and sales invoices¹⁰ are mere photocopies. Section 7(c), Rule 2 of Office Order No. 99, series of 2011 in relation to Section 13 thereof, provides that original documents of the photocopies attached to the opposition must be presented during the preliminary conference. Otherwise, photocopies are inadmissible in evidence. Further, the delivery receipts and sales invoices presented by Opposer are unsigned documents¹¹. It bears no probative value as it is tantamount to hearsay evidence. In one case, the Supreme Court held that Charge Sales Invoices which were undated and unsigned failed to prove the goods appearing on it were actually delivered and received¹². It is noteworthy that the same documents, particularly the Delivery Receipts are not registered with the Bureau of Internal Revenue, which is a mandatory compliance under the law¹³. Thus, among the Opposer's Sales Invoices, the one dated 22 February 2010 failed to prove priority in use and issuance, as against Respondent-Applicant's Sales Invoice dated October 2006. This Bureau also clarifies that the Certificate of Product Registration (CPR) issued by the BFAD or FDA is not a relevant document to prove ownership over the mark or brand of the products, and the actual use thereof. A CPR is a document issued to determine, after evaluation, the product's safety, efficacy and quality for marketing and distribution¹⁴.

All told, it is the Respondent-Applicant which proved by substantial evidence the superior right over the subject mark. It bears stressing that Respondent-Applicant's validly

⁷ Exhibits "1", "2", "2-A", "3", "4", and "4-a" of Respondent-Applicant.

⁸ Exhibits "5", "6" to "6-MM", "7", "8" to "8-N", "9" to "9-T" of Respondent-Applicant.

⁹ Exhibits "9-U", "9-V", "10", "10-A", "10-B", "11", "11-A" and "11-B" of Respondent-Applicant.

¹⁰ Exhibits "D-1" to "D-39" of Opposer.

¹¹ Exhibits "D-1" to "D-140" of Opposer.

¹² Vitarich Corporation vs. Chona Locsin, G.R. No. 181560, 15 November 2010.

¹³ Sec. 237, Tax Code as amended.


¹⁴ Administrative Order No. 2005-0031, Department of Health.

issued Certificate of Registration for the trademark "TYRO-WHITE" 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.¹⁵ In fact, the owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where use would result in a likelihood of confusion.¹⁶ The Opposer, in this instant case, failed to rebut the prima facie validity of Respondent-Applicant's registration.

WHEREFORE, premises considered, the instant opposition case is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial Nos. 4-2013-005817 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City. 09 AUG 2017



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

¹⁵ Sec. 138, Intellectual Property Code (IP Code).

¹⁶ Sec. 147, IP Code.