



TARGET BRANDS, INC.,
Opposer,

-versus-

ELWOOD KELLY B. LIAO,
Respondent-Applicant.

X-----X

IPC No. 14-2015-00191

Opposition to:

Appln. Ser. No. 4-2014-015462

Date Filed: 17 December 2014

TM: TARGET

NOTICE OF DECISION

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ELWOOD KELLY B. LIAO

Respondent- Applicant
68 F. Manalo Street,
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GREETINGS:

Please be informed that Decision No. 2017 - 159 dated 17 May 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, 18 May 2017.

MARILYN F. RETUAL
IPRS IV

Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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IPC No. 14-2015-00191
Opposition to:

Appln. No. 4-2014-015462
Date Filed: 17 December 2014
Trademark: "TARGET"

Decision No. 2017 - 159

DECISION

TARGET BRANDS, INC. ("Opposer"),¹ filed an opposition to Trademark Application Serial No. 4-2014-015462. The application, filed by ELWOOD KELLY B. LIAO ("Respondent-Applicant")², covers the mark "TARGET" for use on goods under class³ 25 particularly, "*kid's shirts, t-shirts, polo shirts, blouses, crew neck, v-neck shirts, long sleeves, dry fit, sando, hoodies, jackets, shorts and socks*".

The Opposer alleges that it is the owner of the well-known trademarks TARGET, DESIGN (BULLSEYE), and TARGET and DESIGN (BULLSEYE) registered in the Philippines as well as in various other countries worldwide. Opposer is also the exclusive owner of the trademark TARGET and DESIGN (BULLSEYE) in many countries around the world. The Opposer most often uses, and has sometimes registered the foregoing marks in the color red.

The Opposer puts in issue the following grounds for this instant opposition:

1. Respondent-Applicant's subject mark is identical to Opposer's well-known trademark TARGET and DESIGN (BULLSEYE), registered worldwide, as to likely, when applied to or used in connection with the goods of respondent-applicant, cause confusion, mistake and deception on the part of the purchasing public.
2. The registration of the subject mark will violate Section 123.1, subparagraph (d) and (f) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

¹ A corporation duly organized and existing under and by virtue of the laws of the State of Minnesota, U.S.A. with business address at 1000 Nicollet Mall, Minneapolis, U.S.A.

² With registered address at 68 F. Manalo St., Cubao, Quezon City, Metro Manila, Philippines.

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.

3. The registration and use by Respondent-Applicant of its mark will diminish the distinctiveness and dilute the goodwill of Opposer's well-known trademark TARGET and DESIGN (BULLSEYE).
4. The registration of the trademark TARGET and DEVICE in the name of Respondent-Applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

The Opposer further alleges that the goods covered by Respondent-Applicant's mark TARGET and DEVICE are closely related to the services covered by Opposer's mark such that Respondent-Applicant's use of its mark will most likely cause confusion in the minds of the public. Thus, Opposer, being the owner/registrant of the mark TARGET in the Philippines, has superior and exclusive rights over said mark, to the exclusion of any third party.

The Opposer submitted the following evidence:

1. Copy of Trademark Application No. 4-2006-013233 for the trademark TARGET;
2. Copy of Certificate of Registration No. 4-2007-008571 for the trademark TARGET;
3. Copy of Certificate of Registration No. 4-2007-008573 for the trademark TARGET;
4. Documentary examples of Target's use of its marks, and TARGET in connection with retail stores and in advertising for retail store services;
5. Screen captures of the Target.com website showing sale of children's clothing;
6. Documentary examples of Target's use of relevant marks in apparel;
7. Copies of trademark registrations and/or applications by the Opposer in various countries;
8. Downloaded pages from Target.com website;
9. Printouts from Target's social media sites;
10. Printouts of Target's use of relevant mark in various international promotional activities;
11. Notarized and legalized Corporate Secretary's Certificate dated 02 June 2015; and,
12. Notarized and legalized Affidavit-Testimony of Stephen C. Lee dated 03 June 2015.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 14 July 2015. Said Respondent-Applicant, however, did not file an Answer. Hence, this case is submitted for decision⁴.

Should the Respondent-Applicant be allowed to register the trademark TARGET?

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

⁴ Order of Default dated 09 November 2015.



protect the manufacturer against substitution and sale of an inferior and different article as his product.⁵

Records show that at the time Respondent-Applicant filed its application for the trademark TARGET on 17 December 2014⁶, herein Opposer has registrations for the mark TARGET⁷ and Design (BULLSEYE)⁸, and has pending application for the mark TARGET and Design (BULLSEYE)⁹ in the Philippines. Moreover, the Opposer has trademark registrations for the same marks in various countries¹⁰. The mentioned applications and registrations of Opposer's marks were all dated prior to Respondent-Applicant's application filing date. In the Philippines, 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.¹¹

The competing marks are reproduced below for comparison and scrutiny:



Opposer's Trademarks



Respondent-Applicant's Trademark

It appears that the competing marks have striking similarities both in the word mark and the design. They have the identical word mark TARGET; and a prominent likeness in the circles and the shading of the circles of the BULLSEYE Design. While it also appears that the subject mark bears some dissimilarities in the shading art work of the word mark TARGET and the BULLSEYE Design, such dissimilarities made by Respondent-Applicant can be observed as a way of hiding the intent to copy Opposer's trademarks.

⁵ 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).

⁶ Filewrapper records.

⁷ Exhibit "C" of Opposer.

⁸ Exhibit "B" of Opposer.

⁹ Exhibit "A" of Opposer.

¹⁰ Exhibit "G" of Opposer.

¹¹ Sec. 138, IP Code.

Just

Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.¹² Colourable imitation does not mean such similitude as amount to identify, nor does it require that all details be literally copied. Colourable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark with that of the other mark or trade name in their over-all presentation or in their essential substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.¹³

Also, considering the similarity or relatedness of goods carried by the contending marks, the consumers will have the impression that these products originate from a single source or origin or they are associated with one another. Opposer's goods/service include class 35 referring to retail and on line department store services. Without a doubt, it is related to Respondent-Applicant's class 25 goods for apparels because Opposer's stores primarily sell apparels for adults and children. Thus, 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:¹⁴

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 has shown documentary evidence of use of the trademark TARGET and the BULLSEYE Design in retail stores, advertising for retail store services¹⁵, and in connection with apparels¹⁶. The Opposer likewise confirmed its various promotional activities in local and international arena through its website and other social media sites¹⁷.

As such, considering the probable purchaser's attitude and habits, marketing activities, and commercial impression, there is a high likelihood that the trademarks of the Opposer and the Respondent-Applicant pertain to related fields of manufacture, distribution and marketing under similar conditions. Both are likely to be conveyed and move in the same channels of trade. Thus, the goods of the Opposer and the Respondent-Applicant are of a character which purchasers would be likely to attribute to a common origin.

¹² Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 200, 356 SCRA 207, 217.

¹³ Converse Rubber Corporation v. Universal Rubber Products, Inc., et al., G.R. No. L-27906, 08 January 1987.

¹⁴ Id.

¹⁵ Exhibit "D" of Opposer.

¹⁶ Exhibits "E" and "F" of Opposer.

¹⁷ Exhibits "H", "I" to "I-6" and "J" of Opposer.

Thus, Sec. 123.1 (d) of the IP Code provides:

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;

In contrast, the Respondent-Applicant despite the opportunity given, failed to explain how it arrived at using the mark TARGET accompanied with a BULLSEYE Design. The Opposer's mark and design are unique and highly distinctive with respect to the goods or service it is attached with. It is incredible for the Respondent-Applicant to have come up with the same mark by pure coincidence.

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. Confusion, mistake, deception, and even fraud, should be prevented.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-015462 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. 17 MAY 2017



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