

UNILEVER N.V.,
Opposer,

-versus-

VINCENT RAYMUND DY (PH),
Respondent-Applicant.

X-----X

}	IPC No. 14-2015-00425
}	Opposition to:
}	
}	Appln. Serial No. 4-2014-0014501
}	Date Filed: 24 November 2014
}	
}	
}	TM: LUXAWHITE

NOTICE OF DECISION

QUISUMBING TORRES
Counsel for Opposer
12th Floor, Net One Center
26th Street corner 3rd Avenue
Crescent Park west, Bonifacio Global City
Taguig


VINCENT RAYMUND DY
Respondent- Applicant
553 Padre Herrera Street,
Tondo, Manila

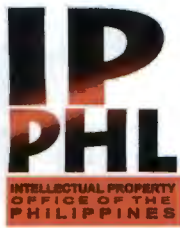
GREETINGS:

Please be informed that Decision No. 2017 - 314 dated 16 August 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPPL 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, 16 August 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



UNILEVER N.V.,

Opposer,

-versus-

VINCENT RAYMUND DY (PH),

Respondent-Applicant.

IPC No. 14-2015-00425

Opposition to:

Application No. 4-2014-0014501

Date Filed: 24 November 2014

Trademark: "LUXAWHITE"

Decision No. 2017- 314

DECISION

UNILEVER N.V.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-0014501. The application, filed by Vincent Raymund Dy (PH)² ("Respondent-Applicant"), covers the mark "bath soaps, facial bars, body lotions, moisturizers, skin care products, toiletries" under Class 03 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"5. "LUX" is a global personal care brand that traces its roots to 1899, when the brand was initially used to identify a laundry soap manufactured by Opposer's predecessor-in-interest, the Lever Brothers. Said laundry soap was originally called 'Sunlight Flakes,' but was later renamed as LUX in 1990 - which is Latin for 'light' while likewise connoting the idea of luxury.

"6. When a survey conducted in the early 1920s disclosed that women were using LUX as toilet soap, LUX was relaunched and marketed as toilet soap, with the tagline 'made as fine as French soap. Within the 2 years thereafter, the makers of LUX concentrated on building its beauty soap credentials. This is turn easily led to LUX's reputation as the world's first mass market toilet soap, sold for as little as 10 cents a piece. Advertisements from the early 1920s demonstrate this transition:

x x x

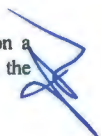
"7. Soon, LUX toilet soap was launched in the United States in 1925 and in the United Kingdom in 1928. Subsequently, LUX soap was marketed in several forms, including hand wash, shower gel and cream bath soap.

"8. In the 1930s, LUX entered the international arena, landing in India, Argentina, and Thailand, beginning an expansion that would eventually include

¹With address at Weena 455, Rotterdam, 3013 AL, The Netherlands.

²With address at 553 Padre Herrera St., Tondo, Manila, Metro Manila, Philippines.

³The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.



representation in over 100 countries. During this era, some of the most glamorous film stars endorsed LUX as their beauty bar of choice and called it 'the secret of their beauty'. With this, LUX was gaining the reputation of being the premier beauty soap for movie stars - an entertainment medium that was then still growing its popularity. In fact, it had been well said that the LUX campaign pioneered the habit of landing celebrity endorsements, and brought to life the 'I'm over 30' and '9 out of 10' concepts seen in modern marketing techniques today.

x x x

"9. In 1934, LUX also began airing the LUX Radio Theatre, which would become the most popular drama anthology series on radio, with a 20-year long broadcast run. In the 1950s, the LUX Video Theatre was launched, taking over where the popular radio series left off. Thereafter, the 'LUX Girl' was born, with Sandra Dee, Samantha Eggar, and Diana Rigg being crowned as among the firsts, thus:

x x x

"10. By the 1980s, LUX had solidified its position in the world of beauty as the soap of the stars and beautiful women everywhere. During this time, LUX developed a campaign to promote its products as a vital element of good skin care, which was considered the first step to beauty. Sophia Loren, Raquel Welch, and Cheryl Ladd. Further, LUX began to employ local celebrities to help encourage the platform that beauty is accessible to all women everywhere.

"11. In the 1990s, LUX introduced a range of body washes and rich shampoos, expanding its focus to include more emotional benefits such as indulgence and transformation. Various functions for different skin types began to play a part in product development and promotion, while special ingredients became an important aspect of each product.

"12. Since its launch in 1924 as a toilet soap, LUX has been endorsed by some of the world's most beautiful women, with stars including Marilyn Monroe, Elizabeth Taylor, Brigitte Bardot, Shirley Temple, Audrey Hepburn, Grace Kelly, and even Bollywood Royalties such as Ashwarya Rai and Katrina Kaiff. In more recent years, celebrities such as Sarah Jessica Parker, Catherine Zeta Jones, Jennifer Lopez, Penelope Cruz and Kate Beckinsale have also fronted LUX campaigns. Screenshots of some these commercial advertisements are shown below:

x x x

"13. As a result of Opposer's efforts, the LUX brand and trademark has achieved iconic status. In fact, according to a major survey, Opposer's LUX soap brand is the world's top-selling soap bar.

"14. Today, various LUX-branded products are sold in numerous jurisdictions in Africa, the Americas, the Asia Pacific, Europe and the Middle East, including:

x x x

"15. Hence, to ensure its exclusive right to use its brand and protect the goodwill which it has so long tried to build through years of extensive marketing, Opposer and/or its subsidiaries, joint ventures, sister concerns, predecessors-in-title or assignees, sought the trademark registration of about 2,900 LUX and derivative trademarks, in around 174 jurisdictions all over the world, including international

registrations with the WIPO, the earliest of which was secured on 3 March 1926 in Poland bearing Registration No. 11746.

"16. In the Philippines, the following relevant LUX trademarks are held in the name of Opposer.

x x x

"17. Clearly, as a result of Opposer's exclusive, extensive and notorious use and appropriation of LUX to identify its various personal care products throughout the world, LUX has become firmly established as a well-known mark and has obtained goodwill and general international consumer recognition as belonging to only one source, -- Unilever.

"18. Sometime in August 2015, it has come to the attention of Opposer that Respondent filed an application to register the LUXAWHITE mark (reproduced below) bearing Trademark Application No. 4-2014-00014501 on 24 November 2014, covering 'Bath soaps, facial bars, body lotions, moisturizers, skin care products, toiletries' in class 3.

"19. A cursory examination of the competing marks shows that Respondent's LUXAWHITE trademark and Opposer's LUX Trademarks are visually, phonetically, and conceptually similar. Respondent's LUXAWHITE mark in fact completely appropriates Opposer's LUX word mark. The two marks, LUXAWHITE and LUX, when read aloud, also constitute idem sonans to a striking degree, which alone constitutes sufficient ground for this Honorable Office to rule that the competing marks are confusingly similar. In *Marvex Commercial Co., Inc. v. Petra Hawpia & Co.*, the Supreme Court overturned the decision of the then Director of Patents that granted the registration of 'LIONPAS,' as it surely could not have been denied that 'SALONPAS' and 'LIONPAS,' when spoken, sound very much alike.' According to the High Court:

x x x

"20. Hence, Opposer respectfully submits this verified Notice of Opposition, which rests on the following grounds:

"(a) Opposer is the prior user and first registrant of the LUX trademark and other derivative marks in the Philippines, well before the filing date of Respondent's LUXA WHITE mark, which was only on 24 November 2014. As abovestated, the registration details of the various LUX Trademarks held by Opposer in the Philippines are as follows:

x x x

"(b) As the registered owner of the LUX Trademarks, Opposer enjoys the exclusive right to prevent all third parties not having its consent from using in the course of trade identical or similar signs for goods which are identical or similar to those in respect of which its trademarks are registered where such use would result in a likelihood of confusion.

"(c) Respondent's LUXA WHITE mark is confusingly similar to Opposer's LUX Trademarks, and thus runs contrary to Section 123 of the IP Code. Section 123 (d), (e), (f) and (g) of the IP Code provide:

x x x

“(d) In view of Opposer’s use and registration of the LUX Trademarks in the Philippines and other countries, the LUX Trademarks qualify as well-known trademarks, both locally and internationally.

x x x

“(e) If allowed to proceed to registration, the consequent use of the LUXA WHITE mark by Respondent will amount to unfair competition with and dilution of Opposer’s LUX Trademarks, which have attained valuable goodwill and reputation through a near-century of extensive and exclusive use. This is prohibited under Section 168 of the IP Code.

x x x

“(f) The registration of Respondent’s mark will work to impede the natural expansion of Opposer’s use of its LUX trademarks in the Philippines;

“(g) The registration and consequent use of the LUXA WHITE mark by Respondent will result in a confusion of source or reputation, which is proscribed under the IP Code and applicable precedents; and

“(h) Other provisions of the IP Code and related international agreements or conventions on the subject of intellectual property rights warrant the denial by this Honorable Office of Respondent’s trademark application.

“21. Opposer and/or its respective subsidiaries, joint ventures, sister concerns, predecessors-in-title, licensees and assignees in several other countries have extensively promoted the LUX Trademarks worldwide. The LUX Trademarks have obtained significant exposure for the goods upon which the marks are used in various media, including television commercials, advertisements, internationally well-known print publications, and other promotional events.

“22. Opposer has not consented to Respondent’s use and application for registration of the LUXA WHITE mark, or any other mark identical or similar to Opposer’s LUX Trademarks.

“23. The goods for which Respondent seeks to use his LUXA WHITE mark are similar, identical or closely related to the goods that are produced by, originate from, or are under the sponsorship of Opposer. This will mislead the purchasing public into believing that Respondent’s goods are produced by, originate from, or are under the sponsorship of Opposer, when in fact there is simply no connection between Respondent and Opposer. Potential damage to Opposer may result in light of its inability to control the quality of the products offered or put on the market by Respondent under the LUXA WHITE mark.

“24. At the very least, the use by Respondent of the LUXA WHITE mark in relation to its goods, whether or not identical, similar or closely related to Opposer’s own goods and services, will take unfair advantage of, dilute and diminish the distinctive character or reputation of the LUX Trademarks, which have proved to be viable and significant assets of Opposer, thereby resulting in the irreparable damage to Opposer’s goodwill and reputation.

“25. It is apparent that Respondent’s mark is calculated to ride on or cash in on the popularity of the LUX Trademarks, which undoubtedly have earned goodwill and

reputation worldwide through Opposer's extensive use and promotion. There appears to be no reason why, of all the many terms, phrases and expressions available in many languages, Respondent would choose to use 'LUXAWHITE' for apparently the same goods for which Opposer's LUX Trademarks have become world-famous, except only to ride on the goodwill generated by Opposer.

"26. Moreover, considering the substantial investment incurred by Opposer in promoting its goods and identifying itself throughout the world through the LUX Trademarks, it is clear that Respondent's deceitful conduct in securing the registration of a mark similar to Opposer' and in exploiting the same is aimed towards unduly enriching himself at the expense of Opposer.

"27. Under the circumstances, Respondent's trademark registration for the mark LUXA WHITE bearing Application No. 4-2014-00014501, filed on 24 November 2014, must be denied.

The Opposer's evidence consists of the Notice of Opposition; a copy of the Certificate and Power of Attorney dated 2 November 2015 executed by Opposer in favor of the law firm of the Quisumbing Torres; the Affidavit of Divina P.V. Ilas-Panganiban dated 9 November 2015 with the following attachments: a table summarizing the trademark registrations secured in the name of Opposer, its affiliates or predecessors-in-interest, for various LUX trademarks and derivative marks in various jurisdictions worldwide; representative samples of various trademark registration certificates in the name of Opposer for LUX Trademarks; photocopies of actual product labels showing the LUX Trademarks on LUX Products; samples and copies of promotional materials, evidencing extensive use and promotion of the LUX Trademarks in the Philippines and other parts of the world; a compilation of "classic" LUX television commercials dating as far back as the 1950s.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 21 December 2015. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on Section 123.1, paragraphs (d), (e), (f) and (g) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.Registrability. - 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 :



⁴Marked as Exhibits "A" to "C", inclusive.

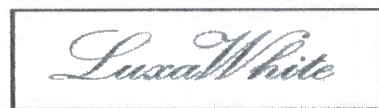
- (i) The same goods or services, or
 - (ii) Closely related goods or services, or
 - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;"
- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent 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 service 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;

Records show that at the time the Respondent-Applicant filed its trademark application on 24 November 2014, the Opposer already owns several LUX trademark registrations in the Philippines with the earliest filing date on 24 December 1930, covering goods similar and/or intimately related to the products indicated in Respondent-Applicant's trademark application.

A comparison of the competing marks reproduced below:



Opposer's trademark



Respondent-Applicant's mark

shows that confusion is likely to occur. Even with the presence of a pink rectangular device and the addition of the letter "a" and the word "WHITE" and with all the letters

in pink stylized font, Kunstler Script, to the Bureau's mind, top of the mind recall would be the word LUX. The distinctive feature of the Opposer's mark is the word LUX, which was appropriated by the Respondent-Applicant. Thus, LUXAWHITE is confusingly similar to Opposer's LUX trademarks. Because the Respondent-Applicant's trademark application covers goods that are similar and/or closely related to the Opposer's, particularly, soaps, skin care products, other cleaning and toilet preparations under Class 3, 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 on the purchaser's perception of goods/services 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.⁵

Public interest therefore requires, that two marks, identical to or closely resembling each other and used on the same and closely related goods or services, 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.⁶

Succinctly, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitations, the unanswered riddle is why of the millions of terms and combinations of letters and designs 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.⁷

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward

⁵ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

⁶ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Eihepa 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).

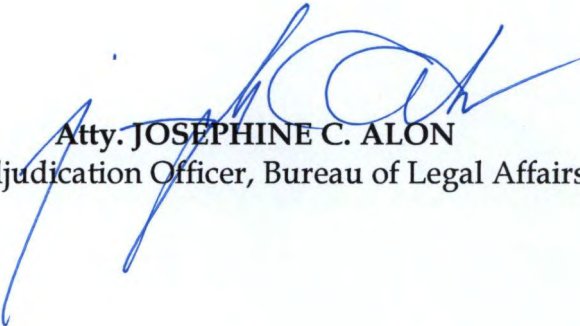
⁷ *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.

entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-014501 is hereby SUSTAINED. Let the filewrapper 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, 16 AUG 2017.



Atty. JOSEPHINE C. ALON
Adjudication Officer, Bureau of Legal Affairs