



INTELLECTUAL PROPERTY
OFFICE OF THE PHILIPPINES

HATCHETTE FILIPACCHI PRESSE,
Opposer,

-versus-

IMPERIAL GALOR CORPORATION,
Respondent- Applicant.

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IPC No. 14-2015-00098
Opposition to:
Appln. Serial No. 4-2014-006955
Date Filed: 03 June 2014
TM: "ELLE"

NOTICE OF DECISION

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IMPERIAL GALOR CORPORATION

Respondent- Applicant
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GREETINGS:

Please be informed that Decision No. 2018 - 09 dated January 25, 2018 (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, January 26, 2018.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



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Date Filed: 03 June 2014
Trademark: "ELLE"

Decision No. 2018- 09

DECISION

HATCHETTE FILIPACCHI PRESSE¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-006955. The application, filed by Imperial Galor Corporation² ("Respondent-Applicant"), covers the mark "ELLE" for use on "cigarettes" under Class 34 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"3. Opposer is part of the French diversified media group LAGARDERE SCA - a group of companies headed by Arnaud Lagardere. The Lagardere Group is presently doing business in around 30 countries worldwide and is structured around four main business lines: i. Lagardere Active, which encompasses newspaper, digital media and magazine publishing (including herein Opposer Hachette Filipacchi Presse), radio and television broadcasting and production and advertising sales; ii. Lagardere Publishing, the book and electronic publishing division which includes the major imprint Hachette Livre; iii. Lagardere Services; and iv. Lagardere Unlimited.

"3.1 The Lagardere Group traces its history as far back as 1826 when Louis Hachette (1800-1864) bought Bredif, a Paris bookstore.

"3.2 In 1852, Louis Hachette published one of the first entertainment magazines in France, Le Journal pour Tous. Opposer's ancestor companies, Messageries Hachette, a major book and print media distribution company in France, and Matra (Mecanique Aviation TRAction) were established in 1897 and 1945, respectively.

"3.3 The flagship mark of Lagardere Active is certainly 'ELLE', a trademark first used by Hachette as early as 1945, for a magazine.

"3.4 In 1963, the group's founder and namesake, Jean-Luc Lagardere was appointed CEO of Matra, and took over the reins of Hachette in 1981.

¹With address at 149 RUE Anatole France 92534 Levallois-Perret, France.

²With address at 126 K 2nd Street, Kamuning, Quezon City, 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.

3.5 In 1992 after a year of massive restructuring, Matra Hachette was created from the takeover of Matra by Hachette, and the Lagardere Group was created as the umbrella company for the whole group.

"3.6 From the on start, the magazine 'ELLE' was immediately available and distributed in numerous countries around the world. However, as of 1985, its international expansion reached a further milestone with the US and UK editions launched that year. This international expansion that singularizes this magazine more than any other in the world, has constantly grown over the years. In 1995, when the magazine 'ELLE' celebrated its 50th anniversary, it already has over 23 editions available worldwide: in addition to the French, US and UK editions: the Spanish, Italian, Hong Kong, Brazilian, Chinese, Swedish, German, Greek, Portuguese, French-Canadian version, Japanese, Dutch, Taiwanese, Korean, Singaporean, Czech, Mexican, Argentinian, Thailand, and Polish editions, extending its influence to well over 90 countries around the world.

"3.7 In 1997, Hachette Filipacchi Presse merged with Filipacchi Meidas to become Hachette Filipacchi Medias. In 2001, Hachette Filipacchi Medias continued to grow, taking a 42% share in the Marie-Claire group.

"3.8 In 2003, the group's founder, Jean-Luc Lagardere, died and was replaced by its present head, Arnaud Lagardere, as managing partner of Lagardere SCA.

In the same year, the magazine 'ELLE' reached a milestone with the publication of its 3,000th issue.

"3.9 In 2004, JC Lattes (part of Opposer's sister company, Hachette Livre), sold over five million copies of Dan Brown's The Da Vinci Code throughout the world.

"3.10 In 2005, the magazine 'ELLE' reached another milestone with the celebration of its 60th anniversary.

"3.11 In 2006, Hachette Filipacchi Medias and Lagardere Active were merged under the Lagardere Active name.

"3.12 In 2007, Arnaud Lagardere announced the Group's reorganization around four major institutional brands: Lagardere Publishing, Lagardere Active, Lagardere Services, and Lagardere Sports.

"In the same year, the magazine 'ELLE' extended its international network, with its 41st publication launched in Indonesia.

"3.13 In 2008, the Twilight saga by Stephenie Meyer became an unprecedented publishing success for Opposer's sister company, Lagardere Publishing.

"4. The trademark 'ELLE' was first used for magazines by Opposer as early as 1945. From its humble beginnings, 'ELLE' is now the number one women's magazine in the world with around 54,181 advertising pages sold per year. The magazine 'ELLE' reaches and is read by some 21 million readers around the world, with 6.5 million copies sold every month. In 2015, it will be celebrating its 70th anniversary.

"4.1. 'ELLE' is French for 'she' or 'her'. This is reflective of the strong, positive image of femininity associated with 'ELLE' which was developed through Opposer's aggressive marketing and publicity. 'ELLE' evokes a liberated, independent, trendy woman, living with her times, fashion and health conscious.

"4.2. At present, there are over forty-six (46) 'ELLE' magazine editions and twenty eight (28) websites worldwide. Opposer has over twenty eight (28) websites worldwide. Opposer has over twenty (20) partners in the world including Hearst Corporation (in 17 countries), and nineteen (19) other prestigious partners (such as Burda, Aller and Ringier) in twenty-six other countries.

"4.3. 'ELLE' magazine is among the leaders in twenty-four (24) markets in the world including France, China, Russia, Italy, Brazil, Japan, Korea.

"4.4. Of the top ten advertising markets worldwide, 'ELLE' is leader in seven of the said markets. Opposer sells around 54,181 advertising pages per year (or 23% of the market share worldwide). Its closest competitors, Cosmopolitan, Vogue, and Marie Claire, only sell around 28,000, 27,000 and 24,000 advertising pages per year, respectively (or 13%, 12% and 11% market share worldwide, respectively). Moreover, advertisers identify the magazine 'ELLE' as a unique one-stop opportunity to organize worldwide coordinated advertisement campaigns. Finally, advertisers around the world associate the magazine 'ELLE' with a reputation of quality in the selection of trendy goods and services.

"4.5. From being simply a women's magazine, 'ELLE' has diversified and expanded into other genres and more widespread lifestyle themes with its 'ELLE Decoration', 'ELLE Girls', 'ELLE Men', and 'ELLE a Table'.

"4.6. 'ELLE Decoration' is the number one international decoration magazine with twenty-five (25) international editions.

"4.7. Aside from magazines, Opposer has also diversified and expanded the use of 'ELLE' to include products and services, as well as other platforms such as e-commerce websites, television shows, events, online magazine and mobile applications (for mobile phones and tablets).

"4.8. With regard to products, 'ELLE' has three main segments: (a) ready-to-wear and fashion accessories; (b) beauty and cosmetic products and apparatus; and (c) lifestyle products, including home interior and kitchen accessories, through 140 licensees in over 80 countries worldwide.

"4.9. Given the tremendous success of the mark 'ELLE', Opposer has largely expanded and diversified its activities, all around the world, to such goods and services as spas and fitness videos and related advice, for bicycles and cars, with MATRA, RENAULT, VOLKSWAGEN, PEUGOET, for perfumes and cosmetics with YVES SAINT LAURENT, for 'ELLE' cafes in Japan, Malaysia, France, with much more to come.

"5. To protect the 'ELLE' brand, as well as the goodwill that Opposer has established through its lengthy and expanded use of the mark, and the image of a liberated, independent, trendy woman associated with the 'ELLE' mark, Opposer has caused the registration of 'ELLE' in over 170 countries around the world. Opposer owns around 1680 registrations of 'ELLE' in the following classes 3, 9, 12, 14, 16, 18, 20, 21, 24, 25, 26, 28, 29, 30, 31, 34, 35, 36, 38, 41, 42, 43 & 44.

Opposer is also the owner of 426 domain names registered around the world, both top level, country and generic, which likewise reflect the worldwide presence of the 'ELLE' name on internet domain name registrars worldwide.

Respondent-Applicant's application was made for class 34 goods. Opposer would like to emphasize the fact that the mark 'ELLE' is registered in class 34 in numerous countries around the world.

"5.1. In the Philippines, Opposer is the owner of five (5) separate trademark registrations for 'ELLE' over six different classifications of goods and services, particularly classes 9, 14, 16, 25, 28 and 38.

"5.2. Aside from five (5) existing trademark registrations in the Philippines, Opposer has also four (4) pending applications for classes 3, 12, 14, 16, 21.

"5.3. As proof of use of its trademarks, Opposer has dutifully filed Declarations of Actual Use for its 'ELLE' marks pursuant to the provisions of the Intellectual Property Code.

"5.4. As early as in 1989, Opposer has filed an application for registration of its trademark 'ELLE' in the Philippines. Its first mark was registered by the Intellectual Property Office on September 11, 1989 under Certificate of Registration No. 046299, under class 16 for 'PRINTED MATTERS, NEWSPAPERS AND PERIODICALS, MAGAZINES, BOOKS, PUBLICATIONS,

CATALOGUES, PROSPECTUS, ALBUMS, ATLAS, BOOKBINDING MATERIALS, PHOTOGRAPHS, STATIONERY, PUBLICATION MAGAZINES AND PHOTOS'.

"5.5. On the other hand, Respondent-Applicant filed its applications under Class 34 for 'CIGARETTES' only on June 3, 2014, or over twenty-five (25) years after Opposer filed its application.

"5.6. Through its long and worldwide use of the mark 'ELLE', Opposer has acquired ownership over the said trademark being the first registrant and by its prior actual commercial use of the same in the Philippines and throughout the world.

"6. Being the holder of five (5) valid and subsisting Certificates of Registration for the Trademark 'ELLE' over six (6) different classifications of goods, Opposer has, under the Intellectual Property Code, the right to use the same to the exclusion of all others, including the Respondent-Applicant herein.

"7. Through its presence in over eighty (80) countries worldwide, as well as from its various websites, magazine editions, consumer products, events, online magazine versions and mobile applications, it is certain that Opposer's 'ELLE' has achieved the status of an internationally known trademark.

"7.1. Relative to the issue of internationally well known marks, Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers has provided for the criteria for determining whether a mark is well-known.

"7.2. It is certain that Opposer's 'ELLE' has met these criteria based on the following established facts:

x x x

"8. Respondent-Applicant's use of the identical mark 'ELLE' results in likelihood of confusion with Opposer's 'ELLE'.

x x x

"9. Through Opposer's prior and continued use of the trademark 'ELLE', the same has become well-known and established valuable goodwill to the consumers. The image of a liberated, independent, trendy, health conscious woman, which is associated with the mark 'ELLE' was developed through Opposer's aggressive marketing and publicity. The registration and use of the Respondent-Applicant's 'ELLE' will enable it to gain benefit from Opposer's established image, reputation and goodwill and will confuse, or most likely confuse, the public into believing that Respondent-Applicant is in any way connected with Opposer.

x x x

"10 *'It has been aptly observed that the ultimate ratio in cases of grave doubt is that rule that as between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.'*

x x x

"11. Clearly, Respondent's continuous use of 'ELLE' in its mark which is identical to the well-known mark 'ELLE' of Opposer would likely cause confusion or mistake, or would deceive the 'ordinarily intelligent buyer' of either Opposer's products or that of Respondent's products or both as to the source and origin of their respective goods, or as to the identity of the business of Opposer and Respondent.

"12. Likewise, the use of Respondent-Applicant of the mark 'ELLE' will diminish or demean the superior quality image and reputation of Opposer's products characterized by high standards which Opposer has carefully built through its long use.

"13. Opposer's interests will be damaged if Respondent's application for registration will be granted by this Honorable Office.

"14. Opposer hereby submits herewith an Affidavit executed by Fabienne Sultan attached as Annex 'A' and made an integral part hereof. Opposer also reserves the right to present such other documents as may be necessary to prove the foregoing allegations, in the course of the proceedings.

The Opposer's evidence consists of the Affidavit-Testimony of Fabienne Sultan, Industrial Manager of Hachette Filipachhi Presse attaching thereto the following: copy of magazine with the flagship mark of Lagardere Active "ELLE", copies of magazines with editions covering US, UK, Spanish, Italian, Hong Kong, Brazilian, Chinese, Swedish, German, Greek, Portuguese, French-Canadian version, Japanese, Dutch, Taiwanese, Korean, Singaporean, Czech, Mexican, Argentinian, Thailand and Polish, printouts of catalogues, brochures, advertisements in the magazine "ELLE" for the years 2005, 2006 and 2008 showing "ELLE" ready-to-wear, fashion accessories, and home interior, recent newsletters, predating the date of the contested application, printouts of in-house data bases and outside counsel's data bases evidencing the worldwide presence of the mark "ELLE" on Trademark Registries around the world, printout of the Department's internal information of "ELLE" domain names around the world, printouts of databases for "ELLE", table showing the different registrations of Opposer in the Philippines, copies of the Certificates of Registration issued by the Intellectual Property Office of the Philippines in the name of Opposer, a table showing the pending registrations of Opposer in the Philippines, copies of the Declarations of Actual Use filed by Opposer, a printout of sales figures and promotional investment made of the mark "ELLE", sample of advertising campaigns and promotional materials of "ELLE", copies of decisions rendered in many jurisdictions against Class 34 for "ELLE"; the Special Power of Attorney issued in favor of Saludo Fernandez Aquino & Taleon Law Offices and the Opposer's Secretary's Certificater.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 07 May 2015. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on Sections 3, 123.1, paragraphs (d) and (f) and 138 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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

Section 3. International Conventions and Reciprocity. - Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act.

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 :

- (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;”

(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;

Sec. 138. *Certificates of Registration.* - A certificate of registration of a mark shall be *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.

Records show that at the time the Respondent-Applicant filed its trademark application on 03 June 2014, the Opposer already owns trademark registrations for the mark ELLE in the Philippines under Trademark Reg. Nos. 4-1991-54796, 4-1991-54900 and 4-1991-54901. These registrations cover services under Classes 35 and 41. The Opposer also owns trademark registrations in many jurisdictions covering products and services, including goods in Class 34, i.e., tobacco, cigars and cigarettes; smokers articles; matches; match boxes and match holders, not of precious metals. This Bureau noticed that the goods indicated in Respondent-Applicant's trademark application, i.e., cigarettes are similar to the Opposer's.

A comparison of the competing marks reproduced below:



ELLE

ELLE

Opposer's trademark

Respondent-Applicant's mark

shows that the marks are obviously identical and used on similar goods, particularly, cigarettes. Thus, 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 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, 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

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 *Ethepe 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).

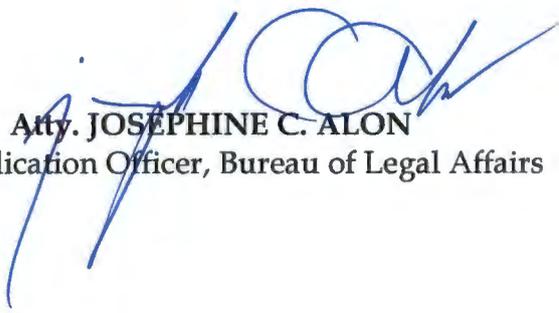
if there was no intent to take advantage of the goodwill generated by the other mark.⁷ The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their 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.

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-006955 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, 25 JAN 2018.


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

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