

MARKS AND SPENCER
Opposer,
- versus -

IPC 3639

Opposition to:
TM Application No. 4-1987-61045
(Filing Date: 26 February 1987)

ODILIO MELON
Respondent-Applicant.

TM: "MICHAEL"

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Decision No. 2006-156

DECISION

This pertains to the NOTICE OF OPPOSITION to the application for registration of the trademark "MICHAEL" for hair shampoo, lotion, and styling gel under Application Serial No. 4-1987-61045 lodged by Marks and Spencer P.L.C. and published for opposition in the (then) Intellectual Property Office (IPO) (now Intellectual Property Philippines (IPPhil.) Official Gazette, Volume III, No. 6 November –December 1990 issue that was officially released for circulation on December 31, 1990.

Opposer Marks and Spencer P.L.C. is a public limited company organized and existing under the laws of the United Kingdom of Great Britain and Northern Ireland, located and doing business at Michael House, Baker Street London W1A 1DN, England.

On March 19, 1991, opposer filed an authenticated and verified NOTICE OF OPPOSITION. The grounds for opposition are as follows:

1. Opposer is the owner of the mark "St. Michael" covering a wide range of goods falling, among others, under International/Philippine Classes 3, 8, 18, 21, 25, 29, 30, 31, 33, and 34;
2. Opposer's ownership of said mark subsist to date and has never been abandoned;
3. Opposer adopted and first used the mark "St. Michael" in the United Kingdom in 1928;
4. Products bearing the mark "St. Michael" have been sold by opposer in the United Kingdom and other countries for at least 50 years and have gained goodwill and high repute;
5. Opposer secured registration of said mark in the United Kingdom for various classes of goods including by way of example the following registration which are in full force:

Reg. No.	Int'l. Classes	Date
B701016	18	September 5, 1951
B940174	18	March 24, 1969
B991529	3	May 3, 1972
B948098	3	September 11, 1969
B1077439	3	April 22, 1977
B1041225	21	January 23, 1975
B1060031	21	March 11, 1976
B1039297	16	December 3, 1974
616422	25	October 2, 1941
B712381	24	November 18, 1952
B715798	29	March 14, 1953

B715799	30	March 14, 1953
B715800	31	March 14, 1953
B940077	31	March 21, 1969
B1198296	3	June 24, 183
472209	Old British Class 43	August 12, 1926

6. Opposer has secured registration of its mark "St. Michael" in more than one hundred (100) countries, which registrations are current and subsisting, including the United States under Registration Nos. 1,075,943 in Int'l Classes 18 and 27 (October 25, 1977); 524628 in U.S. Class 39 (December 12, 1947); 546138 in U.S. Class 39 (September 12, 1950); 1377788 in Int'l Classes 3,16, 18, 20, 21, 24, 25, and 27 (February 7, 1984); and 15729 in Int'l Classes 29, 30, and 31 (June 15, 1988);
7. In the Philippines, opposer obtained registration of said mark by assignment under Certificate of Registration No. 31290-A which was originally issued on October 20, 1982;
8. Philippine Application Serial No. 4-1983-051277 for various classes was filed on June 2, 1983 and is now pending with the Bureau of Trademarks (BOT);
9. In the Philippines, cosmetic products, among others, bearing the mark "St. Michael" have been sold for more than the (10) years;
10. Owing to the long and continued use of the mark "St. Michael" in the Philippines, the buying public has associated the mark with opposer's products;
11. The use by opposer of the mark "St. Michael" in the Philippine has never been abandoned and the mark has been recognized by the buying public as indicative of the origin of opposer's goods"
12. The mark "MICHAEL" is visually identical and confusingly similar to opposer's mark "St. Michael". When pronounced, the two mars are idem sonans such that the use of the mark "MICHAEL" in the Philippine market and elsewhere, which will be made possible if it is registered in respondent-applicant's name, is likely to cause confusion to buying public;
13. Consequently, opposer will be damaged by the registration of the mark "MICHAEL" in respondent-applicant's name, and opposer's business reputation and goodwill will suffer great and irreparable injury;
14. The registration in favor of a party of the mark "St. Michael" was proscribed by the Director of Patents in Decisions No. 84-89, IPC No. 1562 entitled "Marks and Spencer P.L.C. v. Sham Mirahandan" dated October 9, 184; and
15. The registration of the mark "MICHAEL" will run counter to Section 4 (d) of Republic Act No. 166 ("Trademark Law"), as amended.

On April 3, 1991, respondent-applicant filed his ANSWER admitting the allegations in the NOTICE OF OPPOSITION in regard to respondent-applicant's application for registration of the mark "MICHAEL" and its publication in the Official Gazette, denying the rest of the allegations, and alleging the following special and affirmative defenses:

1. Opposer has no legal capacity to sue, there being no showing that it has juridical personality as a foreign corporation;

2. Even if opposer has juridical personality as a foreign corporation, it is not duly registered or licensed to do business in the Philippines; it is neither suing upon an isolated transaction nor for the protection of its goodwill since it has not used said mark, not being licensed to do or is not doing business in the Philippines; and it has not acquired any goodwill or established reputation in the Philippines;
3. In the actual use of respondent-applicant's mark "MICHAEL" as well as in the promotion thereof, no attempts have been made to suggest that the goods upon which the subject mark is being used comes from opposer or that respondent-applicant's business is related or connected to opposer's business;
4. Opposer is not a foreign registrant within the contemplation of Section 37 of Republic Act No. 166 and, consequently, is not entitled to the protection provided therein;
5. No opposer's labels were furnished respondent-applicant; and
6. Opposer has no valid cause of action: The opposition was filed purely for the purpose of harassment and to delay and registration of the mark "MICHAEL" to respondent-applicant's damage and prejudice.

It is to be noted, thus, the respondent-applicant alleged in its special and affirmative defences allegations that essentially sought to dismiss the opposition on the ground that opposer has no legal capacity to sue.

On May 30, 1991, opposer filed an OPPOSITION to respondent-applicant's ANSWER, alleging the following:

1. Section 37 of the Trademark Law provides only that opposer is a registrant of the country of its nationality, domicile, or business establishment which is a party to the Paris Convention For the Protection Of Industrial Property just like the Philippines; and that the existence of such treaty need not be averred in the NOTICE OF OPPOSITION;
2. Respondent-applicant's allegation that opposer has no personality as a foreign corporation is patently false and irrelevant: The NOTICE OF OPPOSITION states that opposer is a "public limited company organized and existing under the laws of the United Kingdom of Great Britain and Northern Ireland;
3. Section 8 of the Trademark Law provides that an opposition such as this case may be filed by any person and not necessarily by a corporation;
4. Respondent-applicant's reliance on Section 133 of the Corporation Code is misplaced: Such provision refers only to foreign corporations doing business in the Philippines as being required to have a licence which is not the case of opposer;
5. Respondent-applicant's legal defence that opposer, as an unlicensed foreign corporation, cannot have standing as it is not suing for the protection of its goodwill is a gross misrepresentation: Page 4 of the NOTICE OF OPPOSITION unequivocally states that as a result of the application "(O)pposer's business reputation and goodwill will suffer great and irreparable injury."
6. Because opposer is suing to protect its goodwill, its being unlicensed to do business is immaterial; and
7. Respondent-applicant's defense in Paragraph 6, 8, and 9 of the ANSWER are not legal but factual that require presentation of proof which respondent-applicant has not done and for which reason the ANSWER should be denied outright.

Incidents took place thereafter which resulted in motions to dismiss filed by respondent-applicant. These motions were denied essentially on the ground that in administrative proceedings such as the instant case which is an inter partes proceeding, technical procedural rules obtaining in courts of justice do not strictly apply. This Bureau has ruled that the essence of due process in administrative proceedings is simply the opportunity to explain one's side or an opportunity to seek reconsideration of the action or ruling complained of (Resolution No. 2005-10, citing *Ang Tibay, et al v. CIR et al*, 69 Phil. 635 [1940]); *In Re: Maria Coronel, A.M. No. 93-9-249-CA*, December 5, 1994; *Helpmate, Inc. v. NLRC, et al.*, G.R. No. 112323, July 28, 1997) This Bureau has noted and ruled that the inter partes rules allows adoption of any reasonable mode or proceedings subject only to certain conditions as follows: 1) that there is no applicable inter partes rule; 2) that it meets the requirement of fair play; 3) that it is conducive to the just, speedy, and inexpensive disposition of cases; and 4) that it will give the BLA the greatest possibility of focusing on technical grounds or issues raised (*Ibid.*, citing Section 6, Rule 2, Regulations on Inter Partes Proceedings).

Both opposer and respondent-applicant presented and formally offered their respective evidences. Opposer's evidence consists of the Affidavit-Testimony of Fe Mauricio dated July 2, 1992; the Affidavit-Testimony of Ismael J. Andres filed on October 9, 1992; and the authenticated and notarized Affidavit of Robert John Ivens as well as the attachments to these evidences, and object evidences. Respondent-applicant's evidences consist of the respective Affidavits or respondent-applicant and Nenita Juania as well as the attachments thereto and other documentary evidences, and objects evidence.

The issues to be resolved are as follows:

1. Whether the mark "MICHAEL" is confusingly similar to opposer's mark "St. Michael"; and
2. Whether respondent-applicant is entitled to the registration of the mark "MICHAEL".

Respondent-applicant's Application Serial No. 4-1987-61045 was filed and prosecuted under Republic Act No. 166; the old Trademark Law Section 4 (d) thereof is the provision pertinent to the instant case. To wit:

"Section 4. Registration of trade-marks, trade-names and service-marks on the principal register. - There is hereby established a register of trade-marks, trade-names and service marks which shall be known as the principal register. The owner of a trade-mark, trade-name, or service mark used to distinguish his goods, business or services from the goods, business, or services of others shall have the right to register the same on the principal register, unless it:

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(d) consists of or comprises a mark or trade-name which so resembles a mark or trade-name registered in the Philippines or a mark or trade-name previously used in the Philippines by another and not abandoned, as to be likely when applied to or used in connection with the goods, business or services of the applicant to cause confusion or mistakes or to deceive purchasers;

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Confusingly similarity or colorable imitation denotes such a close or ingenious imitation as to be calculated to deceive ordinary persons, or such a resemblance to the original as to deceive an ordinary purchaser giving such attention as a purchaser usually gives, and to cause him to purchase the one supposing it the other. In other words, when used on their respective goods, cause confusion or mistake on the part of the purchasers as to the good themselves or as to their source or origin.

Actual confusion is not necessary: It suffices to say that two trademarks are confusingly similar if there is likelihood that the buying public will confuse the goods produced by said respective marks as coming from one and the same enterprise.

Likelihood of confusion, however, is a relative concept to be determined only according to the particular, and sometimes peculiar, circumstances of each case. The wisdom of the likelihood of confusion test lies in its recognition that a case presents its own unique set of facts. The complexities attendant to an accurate assessment of likelihood of confusion require that the entire panoply of elements constituting the relevant factual landscape be comprehensively examined. Likelihood of confusion is, thus, a question of fact.

In determining whether colorable imitation exists, jurisprudence has developed two kinds of test – the Dominancy Test applied in *Asia Brewery, Inc. v. Court of Appeals* and other cases and the Holistic Test developed in *Del Monte Corporation v. Court of Appeals* and its proponent cases. As its title implies, the test of dominancy focuses on the similarity of the prevalent features of the competing trademarks, which might cause confusion or deception and this constitutes infringement. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity.

Applying the dominancy test in the case at bar, this Bureau finds that confusing similarity exists between the marks of both parties. In the instant case, the competing marks “MICHAEL” and “St. Michael” per se have similar: In both marks, the word “MICHAEL” is written in script; both have an uppercase “M” and lowercase succeeding letters: the letter “M” is preceded by a left stroke; and the letter “L” has a curled end stroke though the mark “MICHAEL” has a shorter, abrupt end stroke compared to the mark “St. Michael” which has no longer and pronounced curled end stroke.

Moreover, it must be noted that the trademarks of the parties are used on almost identical goods and for identical purposes and that this is an important factor in determining whether or not there is confusing similarity of trademarks.

Opposer’s trademark “ST. MICHAEL” is being used on cosmetic products, among others while Respondent-Applicant’s mark “MICHAEL” is being used on “hair shampoo, lotion and styling gel”. From the list of the goods of the parties, there is not much explanation needed to determine that their goods are similar and closely related.

When goods are so related that the public may be, or is actually deceived and misled that they come from the same marker or manufacture trademark infringement occurs.

In the case of *ESSO STANDARD EASTERN, INC.*, the Supreme Court ruled:

“Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or are sold in grocery stores. Thus, biscuits were held related to milk because they are both food products. Soap and perfume, lipstick and nail polish are similarly related because they are common household items nowadays. The trademark “Ang Tibay” for shoes and slippers was disallowed to be used for shirts and pants because they belong to the same general class of goods. Soap and pomade, although non-competitive, were held to be similar or to belong to the same class, since both are toilet articles.”

Applying these legal precepts to the instant case, Respondent-Applicant’s use of the trademark “MICHAEL” is likely to cause confusion or mistake or to deceive the consumers of either the goods of the Opposer and that of the Respondent-Applicant or both as to the identity of the goods their source and origin, or identity of the business of Opposer and Respondent-Applicant.

Another factor to be considered is that although the prices of the respective goods of opposer and respondent-applicant are so disparate, an ordinary buyer, still, shall likely be mistaken "for a buyer acts quickly and is governed by a casual glance, the value of which may be dissipated as soon as the court assumes to analyze carefully the respective features of the mark."

After a careful examination of the records and the evidence presented, this Bureau finds that the simultaneous use of Opposer's mark "ST. MICHAEL" and Respondents' use of the "MICHAEL" mark results in the likelihood of confusion. We find Opposer's contentions with merit and hold that there is confusing similarity of trademarks, which justify an opposition to Respondent's application for trademark MICHAEL.

Respondent-applicant is therefore, not entitled to the registration of the mark "MICHAEL".

WHEREFORE, the opposition is, as it is, hereby GRANTED Consequently, Application Serial No. 4-1987-061045 for the mark "MICHAEL" for hair shampoo, lotion, and styling gel filed on February 26, 1987 by Odilio Melon is, as it is hereby, REJECTED.

Let the filewrapper of "MICHAEL" subject matter of this case together with this Decision be forwarded to the Bureau of Trademark (BOT) for appropriate action.

SO ORDERED.

Makati City, December 21, 2006

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office