

TEXWOOD LIMITED,
Opposer/Petitioner,

INTER PARTES CASE NO. 1747

OPPOSITION TO:

Appln. Serial No. 37387
Filed : January 24, 1979
Applicant : Andres T. Lim
Trademark : DEXWOOD & WOODY
WOODPECKER DEVICE
Used on : Men's, ladies' and
children's wear, such as
T-shirts, polos, jackets,
pants, denims, briefs and
socks

- versus -

- and -

INTER PARTES CASE NO. 1756

PETITION FOR CANCELLATION

Cert. of Regn. No. SR-4172
Issued : August 16, 1979
Registrant : Andres T. Lim Trademark
: DEXWOOD & WOODY
WOODPECKER DEVICE
Used on : Same as above

ANDRES T. LIM,
Respondent-Applicant/
Registrant.
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DECISION NO. 88-44 (TM)

July 11, 1988

DECISION

Texwood Limited, a foreign corporation domiciled and existing under the laws of Hong Kong, filed an Opposition (Inter partes Case No. 1747) to the application for registration in the Principal Register (Application Serial No. 37387) of the trademark "DEXWOOD & DUCK DEVICE" for use on men's, ladies' and children's wear (Class 25) filed on January 24, 1979 by Andres T. Lim, a Chinese businessman.

Texwood Limited likewise filed a Petition for Cancellation (Inter Partes Case No. 1756) of the certificate of registration (Registration No. SR-4172) issued on August 16, 1979 in favor of the same Andres T. Lim for the trademark "DEXWOOD & WOODY WOODPECKER DEVICE" for use on men's, ladies' and children's wear.

Inter Partes Cases Nos. 1747 and 1756 were consolidated (Order No. 84-38) because the parties and the subject matter in both cases were the same. Moreover, Respondent Lim did not file any opposition to Petitioner Texwood's motion for, consolidation.

Petitioner filed these Opposition and Petition for Cancellation on the ground, among others, that Respondent's trademarks "DEXWOOD & DUCK DEVICE" and "DEXWOOD & WOODY WOODPECKER DEVICE" are identical and/or similar to the duly registered trademarks

"TEXWOOD" and "TEXWOOD & APPLE DEVICE", of Petitioner for jeans, jackets, trousers, shirts, boiler suits and overalls (Class 25), as evidenced by Philippine Patent Office Certificates of Registration Nos. 22288, 22354 and 24160 (Exhs. "A", "B" and "C") dated May 7, 1975, May 23, 1975 and October 4, 1976, respectively, which are in full force and effect and far antedated the claim of first use in commerce in the Philippines by Respondent as of January 2, 1978 (Exhs. "2" and "2-A").

Respondent, on the other hand, filed its Answers, denying the material allegations of the Opposition and Petition, and alleged, among others, that Respondent's trademark is "DEXWOOD" and the devices are that of a "duck" and "Woody Woodpecker" (Exhs. "1" and "2-A"), while that of Petitioner is "TEXWOOD" and the device is that of an "apple" (Exhs. "F", "G", "I", "M" to "Z", "AA", "AAA" and "BB" to "PP") that the letter "T" as used in Petitioner's trademarks is totally and completely different from the letter "D" as used in Respondent's devices and trademarks, and even a comparison between them will clearly show their differences, and that the buying public will certainly not be confused into believing that Respondent's "DEXWOOD" is an affiliate or is under the sponsorship of Petitioner.

At the last hearing of these cases, which was set for continuation for the presentation of Respondent's evidence, Respondent failed to appear despite notice by this Bureau on motion of Petitioner considered the case submitted for decision based on the evidence so far presented.

The issue to be resolved in both opposition and cancellation cases is whether or not Respondent's trademarks "DEXWOOD & DUCK DEVICE" and "DEXWOOD & WOODY WOODPECKER DEVICE" are confusingly similar with Petitioner's trademarks "TEXWOOD" and "TEXWOOD & APPLE DEVICE".

Upon examination of the trademarks in question, it will readily be seen that the dominant feature or central idea in Respondent's trademarks is the word "DEXWOOD", while in Petitioner's trademarks it is the word "TEXWOOD"; and that the "duck" or "Woody Woodpecker" device in Respondent's mark and, the "apple" device in Petitioner's mark are not significant.

"Word portion of mark with design that is only literal portion of it is necessarily a means by which purchasers identify, call for, or refer to goods sold under mark; use of 'Cheeselovers International' with representation of globe design, and of 'The Cheese Lover's Cheese' superimposed upon heart design is likely to cause confusion." (In re Cheeselovers International Ltd. /PO TM TAppBd/ 197 USPQ 632)

"Word portion of mark that consists of both word and design features is portion utilized in calling for goods, and is most likely to be impressed upon purchaser's memory and to serve as indicum of origin." (In re Mack /PO TM TAppB/ 197 USPQ 755)

"Words are controlling in determining issue of likelihood of confusion involving composite mark consisting of word and designs, ordinarily, since they are portion of mark used to refer to and order goods; principle has particular application in case in which design portion of composite mark has highly suggestive, if not virtually descriptive, character that makes no contribution toward 'distinguishing source of respondent's product from source of petitioner's product.'" (St. Louis Janitor Supply Co. vs. Abso-Clean Chemical Co. /PO TM TAppBd/ 196 USPQ 778)

Comparing therefore the words "DEXWOOD" and "TEXWOOD" following the idem sonans rule, there is no doubt that they are confusingly similar.

In *Marvex Commercial Co., Inc. vs. Petra Hawpia & Co.*, 18 SCRA 1178, the Court ruled:

"The following random list of confusingly similar sounds in the matter of trademarks, culled from *Nims, Unfair Competition and Trade Marks*, 1947, vol. 1, will reinforce our view that 'SALONPAS' and 'LIONPAS' are confusingly similar in sound:

'Gold Dust' and 'Gold Drop'; 'Jantzen' and 'Jazz-Sea;' 'Silver Flash' and 'Supper-Flash'; 'Cascarete' and 'Celborite'; 'Celluloid' and 'Cellonite'; 'Chartreuse' and 'Charseurs'; 'Cutex' and 'Cuticlean'; 'Hebe' and 'Meje'; 'Kotex' and 'Femetex'; 'Zuso' and 'Hoo Hoo'. Leon Amdur, in his book 'Trade-Mark Law and Practice', pp. 419-421, cites as coming within the purview of the idem sonans, rule, 'Yusea' and 'U-C-A', 'Steinway Pianos' and 'Steinberg Pianos', and 'Seven-Up' and 'Lemon-Up'. In *Co Tiong vs. Director of Patents*, this Court unequivocally said that 'Cordura' and 'Cordura' are confusingly similar in sound; this Court held in *Sapolin Co. vs. Balmaceda*, 67 Phil. 795 that the name 'Lusolin' is an infringement of the trademark 'Sapolin', as the sound of the two names is almost the same.

In the case at bar, 'SALONPAS' and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandize of the same descriptive properties (see *Celanese Corporation of America vs. E. I. Du Pont*, 154 F. 2d. 146, 148)."

In this case, the contending marks are both used for men's, ladies' and children's wear.

Furthermore, in the case of *Queen Mfg. Co. vs. Isaac Ginsberg Bros. Co., Inc.* (25 F 2d. 284, 287), cited in *Co Tiong Sa vs. Director of Patents*, 95 Phil. 1, it was ruled that:

"In order to constitute infringement, it is not necessary that the trademark be literally copied. x x x Neither is it necessary that every word be appropriated. There may be infringement where the substantial and distinctive part of the trademark is copied or imitated x x x." (Underscoring supplied)

Worthy of note in this connection is that:

"An infringement can arise out of the similarities of something less than the whole trademark. A defendant cannot therefore avoid the charge of infringement by appropriating only part of a trademark if his appropriation is likely to deceive the public, it cannot be permitted. These marks are to be tested by the standard of whether their general appearance is one of the mark as a whole, of a single part, or of the infringement of all parts. Thus, there are many potential sources for confusion." (3 Callman, *Unfair Competition & Trademarks*, 1435-1436; underscoring supplied)

It should be emphasized at this point that Petitioner's trademarks "TEXWOOD" and "TEXWOOD & APPLE DEVICE" have acquired immense goodwill and well-established good business reputation because of their extensive and continuous use in commerce in the Philippines, as evidenced by the volume of sales (Exhs. "J", "K", "L" and sub-markings) advertisements and promotions (Exhs. "I", "M-2" and "AA-PP"). Hence, there is factual basis to conclude that Respondent, in adopting the mark "DEXWOOD" had intended to ride on the valuable goodwill that Petitioner's trademarks have acquired.

In view of the foregoing, this Bureau holds that Respondent's trademarks "DEXWOOD & DUCK DEVICE" and "DEXWOOD & WOODY WOODPECKER DEVICE" are confusingly similar with Petitioner's trademarks "TEXWOOD" and "TEXWOOD & APPLE DEVICE"

Respondent, in its Answer to the Opposition (Inter Partes Case No. 1747) against the registration in the Principal Register for "DEXWOOD & WOODY WOODPECKER DEVICE", alleged that the Opposition should be dismissed for failure of Respondent to file a Verified Opposition within the period fixed by Rule 187(c) of the Revised Rules of Practice in Trademark Cases. The records confirm this fact and therefore the Opposition should be dismissed.

On the other hand, the Petition for Cancellation (Inter Partes Case No. 1756) of Certificate of Registration No. SR-4172 for "DEXWOOD & DUCK DEVICE" in the Supplemental Register not being affected by the infirmity found in the Opposition should be given due course.

The defense that the Petition for Cancellation is defective because it is not based on any one of the grounds mentioned in Section 17, Republic Act 166, is without merit because a cursory reading of the allegations in the Petition would disclose that it is based on the claim of likelihood of confusion between the mark of Respondent and that of the Petitioner which would be a violation of Section 4(d), *ibid*.

This however would give rise to a situation wherein the trademark "DEXWOOD & DUCK DEVICE" (Inter Partes Case No. 1747) would proceed to registration but Certificate of Registration No. SR-4172 for "DEXWOOD & WOODY WOODPECKER DEVICE" (Inter Partes Case No. 1756) would be cancelled. Having found however that the dominant character in the contending marks is "TEXWOOD" in Petitioner's marks, and "DEXWOOD" in Respondent's marks, there exists a legal basis to reject the registration of "DEXWOOD & DUCK DEVICE" as well. Firstly, to do so would avoid multiplicity of suits since the Petitioner, notwithstanding the dismissal of its Opposition, may file a Petition for Cancellation of the registration for "DEXWOOD & DUCK DEVICE" on the ground of confusing similarity with "TEXWOOD". Secondly, while Respondent timely raised the defense that the Opposition should be dismissed for not having been verified within the period required by law in his Answer, he failed to appear in several scheduled hearings for the presentation of his evidence until finally when he again failed to appear at the last hearing on December 16, 1986, this case on motion of Petitioner was deemed submitted for decision without Respondent having completed the presentation of his evidence and without a formal offer of whatever evidence he may have presented. Likewise, he failed to file a Memorandum in support of his case. This manifests lack of interest in prosecuting his defense and therefore may be considered as having waived whatever valid defense he may have interposed in his Answer such as the one being considered.

What placed this conclusion beyond doubt was his failure to oppose Petitioner's motion to consolidate Inter Partes Case No. 1747 and Inter Partes Case No. 1756. Neither did he object to or move for the reconsideration of Order 84-3 dated February 16, 1984 granting said motion on the ground that the parties, issues and evidence in both cases are identical.

WHEREFORE, the Opposition and Petition for Cancellation are given due course.

Let the records of Inter Partes Case No. 1747 be remanded to the Trademark Examining Division, while the records of Inter Partes Case No. 1756 be forwarded to the Application, Issuance & Publication Division for appropriate actions in accordance with this Decision.

SO ORDERED.

IGNACIO S. SAPALO
Director