HENKEL AG & CO. KgAa, Opposer, **-versus-** **INLINE CHEMIE INC.,** Respondent- Applicant.	}	**IPC No. 14-2010-00095** Opposition to: Appln. Serial No. 4-2008-002080 Date Filed: 21 February 2008 **TM: "DISPERSIL"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 163 dated June 24, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 24, 2014.

For the Director:

Atty. JOSEPHINE C. ALON
Bureau of Legal Affairs

HENKEL AG & Co. KgAa,	}**IPC NO. 14-2010-00095**
Opposer,	}Opposition to:
	}
-versus-	}Application No. 4-2008-002080
	}Date filed :21 February 2008
	}
INLINE CHEMIE INC.,	}Trademark: **DISPERSIL**
Respondent-Applicant.	}
	}
x----------x	}Decision No. 2014- 163

DECISION

HENKEL AG & Co. KgAa (Opposer)[1] filed an opposition to Trademark Application Serial No. 4-2008-002080. The application, filed by **INLINE CHEMIE INC.** (Respondent-Applicant)[2], covers the mark "DISPERSIL", for use on "textile chemical product (hydrophilic softener for textile fabric and garments" under Class 01 of the International Classification of Goods[3].

The Opposer relies on the following grounds in support of its Opposition:

> "1. The registration of the mark 'DISPERSIL' is prohibited under Section 123 (d), (e) and (f) of Republic Act No. 8293, otherwise known as the Intellectual Property Code, which states:
>
> Sec. 123. Registrability. - 123.1. A mark cannot be registered if it:
>
> (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.
>
> (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark with 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:

[1] A corporation organized and existing under the laws of Germany, with principal office at Henkelstraße 67, 40191, Germany

[2] A Philippine corporation with address at Blk 4 Lot 4, Silcas Village, Brgy. San Francisco, Binan, Laguna

[3] The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.

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Provided, That in determining whether a mark is well-known, account shall be taken of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;"

(f) 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 and services 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 and 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. xxx

"2. The Opposer is the owner of the mark PERSIL which was filed with the Intellectual Property Office on 27 August 1999 under Application No. 4-1999-06384 for goods under Classes 3 and 21. The said mark was registered on 1 August 2001 under Registration No. 4-1999-06384.

"3. The Respondent-applicant's mark is confusingly similar to the Opposer's PERSIL mark as to be likely to deceive or cause confusion. This is apparent from a visual and an aural comparison of both marks: xxx"

The Opposer submitted as evidence the following:

1. Verified Opposition dated 11 May 2010;
2. Legalized and authenticated Verification and Certification dated 9 March 2010;
3. Legalized and authenticated Secretary's Certificate dated 9 March 2010;
4. Legalized and authenticated Special Power of Attorney dated 9 March 2010;
5. Legalized and authenticated Affidavit of Joachim Renner and Heinz Nicolas dated 13 April 2010;
6. Certified true copy of German registration of the mark PERSIL;
7. Invoices for the product PERSIL;
8. Copy of advertisement for the mark PERSIL; and
9. Certified copy of Certificate of Registration No. 4-1999-06384 dated 1 August 2002 for the mark PERSIL.[4]

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 4 April 2010. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 20 May 2011 Order No. 2011-627 declaring the Respondent-Applicant in default.

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

Sec. 123.1. Registrability. A mark cannot be registered if it:

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[4] Exhibits "A" to "J" with submarkings

(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.

The records show that when the Respondent-Applicant filed its application on 21 February 2008, the Opposer already has an existing registration for the trademark PERSIL[5] issued on 1 August 2002 covering goods under Class 03 namely, "soaps, washing and bleaching agents, auxiliary washing agents, rinsing agents for laundry and tableware, cleaning and polishing agents, spot removing agents"; and Class 21, namely "cleaning cloths, cloths impregnated with washing, cleaning, rinsing and auxiliary washing agents and odoriferous substances also for use in tumble driers, non-impregnated cleaning and polishing cloths". The Respondent-Applicant's trademark application therefore indicates goods that are similar and/or closely related to those covered by the Opposer's trademark registration. The Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's, particularly, textile chemical product (hydrophilic softener for textile fabric and garments", which flow through the same channels of trade and serve the same/similar purpose as rinsing agent. In Mighty Corporation and La Campana Fabrica de Tabaco, Inc. v. E. & J. Gallo Winery and the Andresons Group, Inc.[6], the Supreme Court held:

"In resolving whether goods are related, several factors come into play:
(a) the business (and its location) to which the goods belong
(b) the class of product to which the goods belong
(c) the product's quality, quantity, or size, including the nature of the package, wrapper or container
(d) the nature and cost of the articles
(e) the descriptive properties, physical attributes or essential characteristics with reference to their form, composition, texture or quality
(f) the purpose of the goods
(g) whether the article is bought for immediate consumption, that is, day-to-day household items
(h) the fields of manufacture
(i) the conditions under which the article is usually purchased and
(j) the channels of trade through which the goods flow, how they are distributed, marketed, displayed and sold."

But are the competing marks, depicted below resemble each other such that confusion, even deception, is likely to occur?

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5 Annex "A"; Exhibit "B"
6 G.R. 154342, July 14, 2004

PERSIL	DISPERSIL
Opposer's mark	Respondent-Applicant's mark

The Respondent-Applicant's mark "DISPERSIL", when pronounced, sounds the same as the last two syllables of the Opposer's mark. The only difference is the prefix "DIS" appended to the letters PERSIL in the Respondent-Applicant's mark, which is a negligible addition or variation, which results to a mark that is phonetically equivalent to the Opposer's trademark. The competing marks are also depicted in block style of lettering. Visually and aurally, the competing marks are confusingly similar.

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's 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 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.[7]

The public interest, 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.[8]

The Respondent-Applicant despite the opportunity given, did not file an Answer to defend its trademark application and to explain how it arrived at using the mark DISPERSIL which is confusingly similar to that of the Opposer's PERSIL. Succinctly, the field from which a person may select a trademark is practically unlimited. As in all

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

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

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.[9]

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-002080 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, 24 June 2014.

Atty. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

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