



PROCTER AND GAMBLE CO.,
Opposer,

-versus-

KLENT PHARMACS, INC.,
Respondent-Applicant.

X-----X

} IPC No. 14-2010-00104
}
} Opposition to:
} Appln. Serial No. 4-2009-001147
} Date filed: 04 Feb. 2009
} TM: "DLAY-D"

NOTICE OF DECISION

QUISUMBING TORRES

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GREETINGS:

Please be informed that Decision No. 2012 – 134 dated July 30, 2012 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 30, 2012.

For the Director:

Edwin A. Dating
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Director III, BLA

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PROCTER AND GAMBLE CO.,
Opposer

- versus -

KLENT PHARMACS, INC.,
Respondent-Applicant.

X-----X

IPC NO. 14-2010-000104
Opposition to:
Appln. Ser. No. 4-2009-001147
(Filing Date: 04 Feb. 2009)
TM: "Dlay-D"

Decision No. 2012- 134

DECISION

PROCTER AND GAMBLE COMPANY¹ ("Opposer") filed on 25 May 2010 an opposition to Trademark Application Serial No. 4-2009-001147. The application, filed by KLENT PHARMACS, INC.² ("Respondent-Applicant"), covers the mark "Dlay-D" for use on "*pharmaceutical preparations, food supplements and dietary supplements*" under Class 05 of the International Classification of goods³.

The Opposer alleges among other things that the registration of Dlay-D violates Sec. 123.1, pars. (d), (e) and (f), of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). It claims ownership and exclusive rights over the world-famous "OLAY" trademark, used for "*soaps, preparations for the cleaning, care, treatment and beautification of the skin, scalp and hair, personal cleansing preparations for the face, hands and body, hand and body care preparations, including body wash, body lotion, shower and bath gel, bath foam, body spray and antiperspirants and deodorants*". According to the Opposer, the mark Dlay-D is nearly the same in spelling, is visually similar, and sounds like OLAY, which together with other associated marks are registered in the Philippines in favor of the Opposer in classes 3 and 16. The Opposer argues that one may mistake the other as one and the same particularly when Dlay-D belongs to a class within the zone of natural expansion of OLAY, effectively diluting and diminishing the unique word mark. Also, the Opposer contends that it is entitled to the benefits granted to foreign nationals under Sec. 3 of the IP Code and Articles *6bis* and *10bis* of the Paris Convention for the Protection of Industrial Property.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 16 June 2010. The Respondent-Applicant did not file an Answer.

Should the Respondent-Applicant be allowed to register the mark Dlay-D?

¹ A company organized under the laws of the United States of America ("U.S.A.") with principal office address at One Procter & Gamble Plaza, Cincinnati, Ohio 45202, U.S.A.

² With address at #67 West Capitol Drive, Brgy. Kapitolyo, Pasig City.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademarks 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 Purpose of the Registration of Marks concluded in 1957.

⁴ To support its opposition, the Opposer submitted evidence consisting of its verified notice of opposition, original legalized certificate constituting and appointing its legal counsel to verify the notice of opposition and execute the "Certificate of Non-Forum Shopping" and the authority to represent the Opposer in the proceedings, the original Affidavit of Carl J. Roof, a computer print-out of the list of international registrations and applications for the OLAY mark worldwide, and a copy of the Affidavit of Jianina Fay Clarice C. Salindong.

It is emphasized that the essence of the trademark registration is to give protection to the owners of the trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is applied; 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 product⁵. Thus, Sec. 123.1 (d) of the IP Code provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services or if it nearly resembles such mark as to be likely to deceive or cause confusion.

The records show that at the time the Respondent-Applicant filed its trademark application on 04 February 2009, the Opposer has existing trademark registrations for the mark OLAY and its variations for use on goods under class 3 among which:

1. Reg. No. 039316 issued 13 June 1988 for the mark "OIL OF OLAY";
2. Reg. No. 4-2000-001299 issued on 21 January 2006 for the mark "OLAY" (also class 16);
3. Reg. No. 4-2005-011602 issued 27 on November 2006 for the mark "OLAY";
4. Reg. No. 4-2005-006921 issued on 16 October 2006 for the mark "OLAY CLASSIC";
5. Reg. No. 4-2007-012453 issued on 22 September 2008 for the mark "OLAY Natural White";
6. Reg. No. 4-2003-003736 issued on 18 September 2006 for the mark "OLAY WHITE RADIANCE";
7. Reg. No. 4-2005-004245 issued on 02 October 2006 for the mark "OLAY CLARITY";
8. Reg. No. 4-2005-004246 issued on 02 October 2006 for the mark "OLAY LOVE THE SKIN YOU'RE IN"; and
9. Reg. No. 4-2007-001720 issued on 14 July 2008 for the mark "OLAY TOTAL WHITE".

The Respondent-Applicant's goods (pharmaceutical preparations, food supplements and dietary supplements), however, are not similar to those covered by the Opposer's trademark registrations, specifically, soaps, preparations for the cleaning, care, treatment and beautification of the skin, scalp and hair, personal cleansing preparations for the face, hands and body, hand and body care preparations, including body wash, body lotion, shower and bath gel, bath foam, body spray, antiperspirants and deodorants. This notwithstanding, the registration of the Respondent-Applicant's mark is covered by the proscription under Sec. 123.1(d) of the IP Code. This is because the Respondent-Applicant's mark resembles the Opposer's mark such that deception or confusion is likely to occur.

The Opposer's mark is an invented word, a fanciful mark, and is therefore unique and highly distinctive in favor of the said party. Hence, a consumer who is familiar with the Opposer's mark can easily "see" – and be reminded of the mark OLAY - in another one that bears striking resemblance to it regardless of goods or services on which the second mark is used.

⁵ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 Nov. 1999.

In this instance, the Respondent-Applicant's mark bears the letters "L", "A", and "Y" which form the syllable "lay". While the Respondent-Applicant's mark starts with the letter "D", this letter has one side with an outward and bulging curvature. Thus, the letter "D" followed by the syllable "lay" could be misread as "Olay", with the letter "D" assumed as a stylized letter "O".

The second letter "D" following "Dlay" does not diminish the likelihood of confusion between the marks. Instead, it further strengthens the likelihood of confusion. This is so because the mark OLAY has variations which includes another or several words like "OIL OF OLAY", "OLAY CLASSIC"; "OLAY Natural White"; "OLAY WHITE RADIANCE"; "OLAY CLARITY"; "OLAY LOVE THE SKIN YOU'RE IN"; and "OLAY TOTAL WHITE". It is likely that consumers will think or assume that "Dlay-D" is just another variation of the mark OLAY. Colorable imitation does not mean such similitude as amounts to identity. Nor does it require that all the details be literally copied.⁶

While the Respondent-Applicant's goods are not similar to the Opposer's, the likelihood of confusion or mistake would be on the origin thereof as held by the Supreme Court, to wit:⁷

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily 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.

In fact, the parties' respective goods are not alien from each other. Like the Opposer's the Respondent-Applicant's goods are used to enhance one's health and bodily well-being as reflected in one's physical appearance and improved bodily functions.

WHEREFORE, premises considered the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2009-001147 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 30 July 2012.


ATTY. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

⁶ *Emerald v. Court of Appeals*, G.R. No. 100098, 29 December 1995.

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