

THE PROCTER & GAMBLE COMPANY, Opposer,

-versus-

IPC No. 14-2012-00142 Opposition to: Appln. Serial No. 4-2011-008936 Date Filed: 22 July 2011 TM: "PROGUARD AND DEVICE"

EDTA TY, Respondent –Applicant.

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NOTICE OF DECISION

QUISUMBING TORRES Counsel for the Opposer 12th Floor, Net One Center 26th Street corner 3rd Avenue Crescent Park West, Bonifacio Global City Taguig City

EDTA TY Respondent-Applicant 555 Del Monte Avenue Brgy. Manresa, Quezon City

GREETINGS:

Please be informed that Decision No. 2014 - <u>5</u> dated February 25, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 25, 2014.

For the Director:

Atty. EDWIN DANILO A. DATING

Director III. Bureau of Legal Affairs

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THE PROCTER & GAMBLE COMPANY,

Opposer,

-versus-

EDTA TY,

Respondent-Applicant.

IPC NO. 14-2012-00142 Opposition to:

Appln. Ser. No. 4-2011-008636 Date Filed: 22 July 2011 Trademark: **PROGUARD and DEVICE** Decision No. 2014- 5/

DECISION

THE PROCTER & GAMBLE COMPANY, ("Opposer")¹ filed on 28 May 2012 an opposition to Trademark Application Serial No. 4-2011-008636. The application, filed by EDTA TY ("Respondent-Applicant")², covers the mark "PROGUARD AND DEVICE", for use on "bath soap, hand sanitizer, hand wash, feminine wash, mouth wash, toothpaste" under Class 03, "isopropyl alcohol, ethyl alcohol" under Class 5 of the International Classification of Goods³.

The Opposer alleges that it is the first user and owner of the well-known trademark SAFEGUARD and both the Philippines and the United States of America are signatories to the Paris Convention for the Protection of Industrial Property, the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement") of the World Trade Organization ("WTO"), and are members of the WTO and the World Intellectual Property Organization. According to the Opposer, the registration of the mark PROGUARD AND DEVICE in favor of the Respondent-Applicant is contrary to Section 123.1, pars. (d), (e) and (f) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.1. Registrability. 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 which is considered by the competent authority of the Philippines to be well-known internationally and in

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¹ A corporation organized under the laws of Ohio, United States of America, with business address at One Procter & Gamble Plaza, Cincinnati, Ohio 45202

² With address at 555 Del Monte Avenue, Manresa, Quezon City

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.

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

(f) Is identical with, or confusingly similar to, or constitute a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods o services which are not similar to those with which registration is applied for: Provided, That the use of the mark in relation to 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.

According to the Opposer:

1. It is the owner and has exclusive rights over SAFEGUARD trademarks registered with the Philippine Intellectual Property Office in connection with antibacterial soaps, among others in class 3.

2. Respondent-Applicant's mark PROGUARD AND DEVICE is confusingly similar to the Opposer's registered SAFEGUARD trademarks as to be likely to deceive or cause confusion in the minds of the relevant sector of the purchasing public. A cursory examination of the composite marks will show they are confusingly similar.

3. The dominant element in the Respondent-Applicant's mark is the word PROGUARD which is very similar to the dominant element in Opposer's registered mark, i.e. SAFEGUARD. The last five letters in Respondent-Applicant's PROGUARD are identical to and in the same position as those of Opposer's SAFEGUARD.

4. It is noteworthy that the goods covered by the competing marks in this case are inexpensive, personal care products. As such, the purchasing public will not be as discerning and will, in fact, be more easily confused between such products bearing very similar marks *vis-a vis* those who are buying expensive items like cars, designer products, jewelry and the like.

5. The SAFEGUARD trademarks are well-known marks, which enjoy substantial goodwill and recognition in the Philippines and worldwide.

To support its opposition, the Opposer submitted as evidence, the following:

- 1. Original legalized Verified Notice of Opposition;
- 2. Original legalized Special Power of Attorney executed by Ms. Tara M. Rosnell in favor of Quisumbing Torres;

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- 3. Original legalized affidavit of Ms. Tara M. Rosnell;
- 4. Original notarized Affidavit of Mr. Justin Lladoc;
- 5. Copy of Trademark Registration No. 4-1997-122545 issued on 15 January 2002 for the mark SAFEGUARD;
- 6. Copy of Trademark Registration No. 4-2001-003539 issued on 11 March 2004 for the mark SAFEGUARD ADVANTAGE;
- 7. Copy of Trademark Registration No. 4-2002-003768 issued on 21 May 2004 for the mark SAFEGUARD (& DEVICE 10);
- 8. Photocopy of Trademark Registration No. 4-1997-125834 issued on 8 July 2004 for the mark SAFEGUARD DEVICE;
- 9. Copy of Trademark Registration No. 4-1999-005400 issued on 16 July 2006 for the mark SAFEGUARD DEVICE;
- 10. Copy of Trademark Registration No. 4-2007-007840 issued on 10 December 2007 for the mark SAFEGUARD (& SHIELD DEVICE);
- Copy of Trademark Registration No. 4-2008-013800 issued on 17 September 2009 for the mark SAFEGUARD PROFESSIONAL CARE (& SHIELD DEVICE 08) INSIDE A RECTANGULAR DEVICE.⁴

This Bureau served upon Respondent-Applicant a "Notice to Answer" on 19 June 2012. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 28 September 2012 Order No. 2012-1310 declaring the Respondent-Applicant to have waived her right to file Answer.

Should the Respondent-Applicant be allowed to register the mark PROGUARD?

The essence of trademark registration is to give protection to the owners of trademarks. 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.⁵

The records show that when the Respondent-Applicant filed her application on 22 July 2011, the Opposer already has eight existing registrations for the trademark SAFEGUARD⁶ the earliest of which was issued on 15 January 2002 for anti-bacterial cleansing soap". The Respondent-Applicant's trademark application therefore indicates goods that are similar and/or closely related to those covered by the Opposer's trademark registrations. The Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's, particularly, soap, anti-perspirant, cosmetic preparations for the care of the skin, anti-bacterial soap, aftershave balms, cleansing and other agents/materials flowing through the same channels of trade.

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

⁴ Marked as Exhibits "A" to "K".

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

⁶ Exhibits "E" to "K"





Opposer's mark

Respondent-Applicant's mark

The competing marks are composite marks, consisting of words and "devices". As regards the word component, the Opposer's mark is composed of two words, "SAFE" and "GUARD". On the other hand, the Respondent-Applicant's mark also contains two words, the affix "PRO" and the word "GUARD".

The combination of the words SAFE and GUARD, although common words in the English language, produced a mark that as used on soap is unique and highly distinctive. In this regard, the Opposer presented, among other things, evidence that soaps bearing the mark SAFEGUARD has been in the Philippine market since 1966, being advertised, promoted and sold in groceries, department stores, commercial establishments and "*sari-sari*" stores.⁷ Also, the Opposer has obtained registrations in the Philippines for the mark SAFEGUARD as early as 1997. Succinctly, the Opposer's marks already earned reputation and goodwill in respect of the goods to which those marks are attached or used.

Succinctly, the appearance in the market of soaps and related goods under a brand consisting of an affix ("PRO") and the word "GUARD", would likely cause confusion among the consumers. The "new" brand brandishes the word "GUARD" and the word component is two-syllabic like the Opposer's. Further, the font-styles are similar. Moreover, like the Opposer's, the device in the Respondent-Applicant's mark is an arrow. This Bureau finds merit in the Opposer's contention:

7.2 When taken as a whole, the competing marks are very similar since the fonts used in Respondent-Applicant's mark and in some of Opposer's marks are almost the same, if not exactly identical; the word elements in Respondent-Applicant's mark and in most of Opposer's marks are slightly slanted and in color white with dark outline; and a rectangular background accompanies both the Respondent-Applicant's mark and some of Opposer's marks. These similarities between Respondent-Applicant's mark and Opposer's marks further enhance the likelihood of confusion in the minds of the purchasing public.⁸

- 7.3 Due to the presence of identical letters in the word elements and the similarity in the device elements, the competing marks are visually alike.⁹
- 7 Exhibits "D".

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⁸ Page 7 of the Verified Opposition.

⁹ Page 7 of the Verified Opposition.

7.4 Due to the presence of identical letters and due to the fact that the word elements in the competing marks consist of two (2) syllables with the second syllables being identical, the marks are also phonetically the same.¹⁰

Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.¹¹ The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:¹²

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, the 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 the belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

It must be stressed that he determinative factor in issues regarding the registration of a mark is not whether the mark would actually cause confusion or deception. Rather, the determinative factor in such contests is whether such mark would likely cause confusion or mistake on the part of the purchasing public. To constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.¹³

The Respondent-Applicant despite the opportunity given, did not file an Answer to defend his trademark application and to explain how he arrived at using the mark PROGUARD which is confusingly similar to Opposer's SAFEGUARD.

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 if there was no intent to take advantage of the goodwill generated by the other mark.¹⁴

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¹⁰ Page 8 of the Verified Opposition.

¹¹ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 4 April 2011, 356 SCRA 207, 217.

 ¹² Converse Rubber Corporation v. Universal Products Inc. et al., G.R. No. L-27906, 08 January 1987.
¹³ American Wire & Cable Company v. Director of Patents, G. R. No. L-26557, 18 February 1970.

¹⁴Supra.

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.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2011-008636 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 February 2014.

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