

LUXOTTICA GROUP S.P.A., Opposer,	 IPC No. 14-2009-00295 Opposition to: Appln. Serial No. 4-2007-04623 Date Filed: 8 May 2007
-versus-	} TM: "LUXOTICA"
JEFFREY DIVINAGRACIA, Respondent- Applicant.	} }
x	X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - <u>252</u> dated October 13, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 13, 2014.

For the Director:

Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



LUXOTTICA GROUP S.P.A., Opposer,	IPC NO. 14-2009-000295 Sopposition to:
-versus-	Application No. 4-2007-0462 Date filed: 8 May 2007
JEFFREY DIVINAGRACIA, Respondent-Applicant.	}Trademark: "LUXOTICA" }
X	x }Decision No. 2014- <u>252</u>

DECISION

LUXOTTICA GROUP S.P.A. (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2007-04623. The application, filed by **JEFFREY DIVINAGRACIA** (Respondent-Applicant)², covers the mark "LUXOTICA", for use on "eyewear, lenses, optical paraphernalia namely, optical eyeglass cases, packaging materials i. e. paper bags, lens cleaner, lens wiper" under Class 09 and "optical services" under Class 35 of the International Classification of Goods³.

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

- "12. Opposer is the leader in the Eyewear and related accessories industry;
- "13. Opposer is the owner of the well-known mark 'LUXOTTICA'. Opposer first used the mark 'LUXOTTICA' in Italy in 1961. 'LUXOTTICA' was first registered in said country in 1982. Since then, said mark has been continuously and extensively used around the world.
- "14. The history of the mark 'LUXOTTICA' started in 1961 when Leonardo Del Vecchio set up Luxottica di del Vecchio e C S.a.S., which subsequently became Luxottica S.p.A.
- "15. Since then, Opposer has grown exponentially. By 2009, Opposer has an annual turn over of over 5.2 Billion Euros and employ 61,000 people.
- "16. Together with 'RAY BAN' and 'OAKLEY', 'LUXOTTICA' is among Opposer's crowning jewels in its wide range of marks.

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¹ A company organized and existing under the laws of Italy, with principal office at 32021 Agordo (Belluno) Italy

² Filipino with address at 75 Mindanao Ave., 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.

- "17. In the Philippines, the mark 'LUXOTTICA' was first registered in January 23. 1989 under Registration No. 47176, for goods under Class 9, specifically for 'glasses, frames, hinges, and other glasses components glasses cases, photographic cinematographic and optical apparatus binoculars telescopes, microscopes, magnifying glasses, lenses, objectives, barometers, thermometers, weighing signaling and checking apparatus'.
- "18. At present, Opposer has active trademark registrations and pending applications in various countries and jurisdictions, including Italy, China, Canada, U.S.A., Brazil, Philippines, South Africa, Andorra, United Arab Emirates, Afghanistan, Bulgaria, China, Cuba, Spain, Mongola, Poland, Romania, Sudan Vietnam, Bosnia and Herzegovina, Albaia, Netherlands, Antilles, Angola, Argentina, Australia, Barbados, Bangladesh, Bahrain, Bolivia, Brazil, Bahamas, Canada, Chile, China, Costa Rica, Cyprus, Ecuador, Community Trademark, Georgia, Guatemala, Guyana, Hong Kong, Honduras, Haiti, Indonesia, Israel, India, Iraq, Iran, Iceland, International Trademark (Armenia, Austria, Bosnia and Herzegovina, Benelux, Belarus, Switzerland, Czech Republic, Germany, Algeria, Egypt, Spain, France, Croatia, Hungary, Krgyzstan, Dem. People's Rep. of Kazahkstan, Liechtenstein, Morocco, Monaco, Moldova, Macedonia, Portugal, Romania, Serbia, Russia Federation, Slovenia, Slovakia, Tajiskan, Ukraine, Uzbekistan), Jamaica, Jordan, japan, Kenya, Republic of Korea, Kuwait, Lebanon, Sri Lanka, Lithuania, Latvia, Libya, Madagascar, Myanmar (ex Burma), Macao, Malta, Mauritius, Mexico, Malaysia, Nigeria, Nicaragua, Norway, Nepal, New Zealand, O.A.P.I. Oman, Panama, Peru, Pakistan, Paraguay, Quatar, Saudi Arabia, Singapore, Suriname, El Salvador, Syria, Thailand, Turkmenistan, Tunisia, Turkey, Taiwan, Uruguay, Venezuela, Yemen and South Africa.
- "19. Below is the summary of Opposer's worldwide trademark registrations. xxx
- "20. Opposer has likewise spent considerable amounts of money in advertising and in promoting products bearing the mark 'LUXOTTICA' worldwide. The worldwide spending on advertising and promotion of said trademark for the last four years are summarized as follows:

YEAR	EXPENSE IN €
2009	239.867
2008	363.525
2007	380.785
2006	580.872

"21. Opposer also maintains various websites where information about LUXOTTICA GROUP S.P.A., and its products including 'LUXOTTICA' are available. Said list of websites include http://www.luxottica.com.

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- "22. As a result of Opposer's advertising efforts, high quality standards, excellent design and craftsmanship, it's 'LUXOTTICA' mark has become one of the most recognized brands in the eyewear and eyewear accessories industry and has become one of Opposer's most profitable brand.
- "23. As a matter of fact, during the last five years, worldwide sales of Opposer's 'LUXOTTICA' products amounted to nearly 200 million Euros, summarized as follows:

YEAR	EXPENSE IN €
2009	21.1 million (as of September 2009)
2008	39.9 million
2007	37.9 million
2006	43.8 million
2005	46.4 million

"24. Clearly and following the guidelines set by Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers, Opposer's 'LUXOTTICA' mark is beyond doubt, locally and internationally well-known. xxx"

The Opposer submitted as evidence the following:

- 1. Notarized and authenticated Special Power of Attorney dated 20 October 2009;
- 2. Notarized Verification and Certification against forum shopping dated 22 December 2009;
- 3. Print-out of LUXOTICA trademark application status; and
- 4. Notarized and authenticated Affidavit-direct testimony of Paolo Pederzini dated 3 December 2009.⁴

This Bureau served upon Respondent-Applicant a "Notice to Answer" on 25 March 2010. The Respondent-Applicant, however did not file an Answer. Thus, the Hearing Officer issued on 18 November 2010 Order No. 2010-1389 declaring the Respondent-Applicant in default.

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

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

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⁴ Exhibits "A" to "D" inclusive of submarkings

- (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 his application on 8 May 2007, the Opposer already has an existing registration for the trademark LUXOTTICA registered on 23 January 1989⁵ covering goods under Class 9 namely, "glasses, frames, hinges, and other glass components glasses cases, photographic cinematographic and optical apparatus binoculars, telescopes, microscopes, magnifying glasses, lenses, objectives, barometers, thermometers, weighing signaling and checking apparatus". The Respondent-Applicant uses his mark on goods under class 9, that are similar or closely related to the Opposer's, particularly, eyewear, lenses, optical paraphernalia, that are of the same nature and flow through the same channels of trade. 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, 100 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?



LUXOTICA

Opposer's mark

Respondent-Applicant's mark

⁶ G.R. 154342, July 14, 2004

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⁵ www.ipohil.gov.ph/index.php/trademarks

The competing marks are identical in all eight literal elements. The only difference is that the Opposer used two letter "T"s and employs a device of two stars appended to the word LUXOTTICA. When pronounced, the competing marks are phonetic equivalents. 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 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 LUXOTICA which is confusingly similar to that of the Opposer's LUXOTTICA. Succinctly, 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.

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

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⁷Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al., G. R. No. L-27906, 08 January 1987. ⁸Pribhdas 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).

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2007-04623 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, 13 October 2014.

Atty. NATHANIEL S. AREVALO
Director IV

Bureau of Legal Affairs