

ABERCROMBIE	& FITCH	EUROPE	S.A.,
Petitioner	1		

-versus-

IPC No. 14-2013-00405

Petition for Cancellation of: Registration No. 4-2012-00007664

Date Issued: 12 April 2013

TM: "BENCH FIERCE"

SUYEN CORPORATION,

Respondent-Registrant.

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 53 dated April 10, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 10, 2015.

For the Director:

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

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE



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Trademark: "BENCH FIERCE"
Decision No. 2015-53

DECISION

Abercrombrie & Fitch Europe S.A.1 ("Petitioner") filed a petition to cancel Trademark Registration No. 4-2012-007664. The registration issued on 12 April 2013 to Suyen Corporation² ("Respondent-Registrant") covers the mark "BENCH FIERCE" for use on "body spray, body mist, cologne, eau de cologne, eau de toilette, eau de parfum, perfume, deo body spray, deo cologne, antiperspirant deodorant spray, antiperspirant deodeorant roll-on, antiperspirant deodeorant stick, hair mist, hair cologne, hair refresher, hair wax, hair gel, hair cream, hair pomade, hair mousse, hair spray, hair color, hot oil treatment products, body lotion, body cream, body scrub, shower gel, shower cream, shampoo, conditioner, facial wash, facial toner, facial moisturizer, facial astringent, facial scrub, facial exfoliant; facial mask, facial cream, spot/blemish gel, spot/blemish cream, pore strip, nail polish, nail polish remover, cuticle remover, nail care products, hand moisturizer, talcum powder, body oil, cream oil, petroleum jelly, foot powder, foot scrub, foot lotion, foot deodorizing spray, bath salt, bath gel, bubble bath, bath soap, facial soap, hand soap, foundation, face powder, eyebrow pencil, eyebrow powder, eye shadow, eye pencil liner, mascara, lipstick, lip liner, lip gloss, bronzer, blush on powder, cheek and lip tint, concealer, tinted moisturizer, makeup primer, makeup remover, body shimmer, hand soap and hand gel" and "hand sanitizer, isopropyl alcohol, alcohol for pharmaceutical preparations, reed diffuser, air freshener, linen mist" under Classes 03 and 05 of the International Classification of Goods³.

According to the Petitioner, it first used its "FIERCE" mark in 2002 as a signature scent for its stores and for men's cologne. Its products are sold and marketed in stores it maintains in at least fifteen (15) countries and through its website www.abercrombrie.com/webapp/wcs/stores.com, which is available all over the world, including the Philippines. It approximates its sales to amount to US \$540 Million while that of its online sales is at least US \$18.6 Million. It claims to be the

¹ A corporation organized and existing under the laws of Switzerland with address at Via Moree 6850 Mendriso,

² With address at 2214 Tolentino Street, Pasay City, Metro Manila, Philippines.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the 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.

most popular and number one selling perfume in the United States of America (U.S.) and boasts its award as scent marketers of the year in 2011 given at the ScentWorld Expo.

The Petitioner moreover avers that it first filed in the U.S. an application to register its mark "FIERCE" on 20 June 2002, obtaining a trademark registration designation on 6 May 2003 under Registration No. 2,713,598. It maintains that it also secured registrations of its mark in Office for Harmonization in the Internal Market (OHIM), Federal Institute of Intellectual Property and in more than thirty-four (34) other countries. In the Philippines, it filed an application designated as Trademark Application Serial No. 4-2013-5000071. It contends that in view of its extensive marketing efforts, the goodwill attached to its mark has become immeasurable. It claims to be active in defending its right over the mark "FIERCE" citing the lawsuit it filed against the singer Beyonce Knowles for the latter's adoption of "SASHA FIERCE" for fragrances, resulting in the abandonment of the application.

The Petitioner furthermore asserts that it is the owner and prior user of the mark "FIERCE" and therefore has the exclusive right to use and/or register the said mark. It claims that "FIERCE" is locally and internationally on account of more than 10.7 million units sold half a billion US dollars in sales, global presence, worldwide registrations, worldwide advertising and marketing campaigns, regular features in fashion events and magazine as well as successful actions in defense of its right over its mark. It complains that the inclusion of "FIERCE" in the Respondent-Registrant's mark will induce consumers to associate the latter's products a related to originating from it.

In support of its petition, the Petitioner submitted the following as evidence:

- 1. print-out of Respondent-Registrant's mark "BENCH FIERCE" as published in the e-Gazette;
- 2. Opposer's online sales of its fierce products;
- 3. certified copies of its registration in the United States, OHIM and Federal Institute of Intellectual Property;
- representative samples of its registrations in various countries;
- 5. affidavit-direct testimony of Mr. Reid M. Wilson;
- copy of its 3rd Declaration of Actual Use (DAU);
- 7. advertising and marketing materials used in promoting "FIERCE" products; and
- 8. articles written about "FIERCE".4

For its part, the Respondent-Registrant avers that it was incorporated in 1985 and has been manufacturing, distributing, marketing and selling apparel and lifestyle products under different brands and trademarks, including its flagship brand BENCH.

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⁴ Marked as Exhibits "C" to "J", inclusive.

When it started in 1987, BENCH initially offered only men's shirt but Respondent-Registrant has expanded its business to a complete range of apparel and lifestyle products and later on in the service industry. It also claims to be a pioneer in the franchising business and to be recognized on numerous occasions by local and international award-giving bodies for its performance in multiple industries and disciplines. The trademark "BENCH" was first registered in the name of Respondent-Registrant on 30 June 1989. Then in 1993, it expanded its clothing products to include women's apparel and accessories under "HERBENCH".

Having evolved into a lifestyle brand, the Respondent-Registrant avers that it now offers a wide range of personal products. It cites the "KRIS AQUINO SCENTS and the Celebrity Scents Collection, including the Anne Curtis Scents Collection, which it launched on January 2006 and 27 October 2012, respectively. Prior to the adoption of the aforementioned marks and as part of its standard processes prior to using any brand, the Respondent-Registrant's marketing team allegedly conducted a survey of the Philippine market including the channel of trade of its products and a trademark search before the Intellectual Property Office of the Philippines (IPOPHL). It claims that it did not find any "FIERCE" fragrance product sold or market in the Philippines or any pending trademark application for the same. Thus, it filed an application for registration of the said mark on 16 June 2012.

The Respondent-Registrant asserts that it extensively used and promoted the trademark "FIERCE". It insists that it does not rely on any goodwill created by any trademark of other entities reiterating that there is no other fragrance product in the Philippine market bearing the mark "FIERCE".

The Respondent-Registrant's evidence consists of the following:

- affidavit of Mr. Dale Gerald G. Dela Cruz;
- 2. photocopies of Certificate of Registration Nos. 045545 and 059967;
- 3. certified copies of Certificate of Registration Nos. 42012000750, 42012000751 and 42012000742;
- 4. complete list of celebrity endorsers and scents inspired by them;
- 5. photographs of promotional posters for selected scents under Respondent-Registrant's Celebrity Scents Collection;
- 6. photographs of the Anne Curtis Scents Collection products from Respondent-Applicant's website and online shop;
- 7. pictures of products bearing its "FIERCE" trademark as sold in the market;
- 8. images taken at the "Fashion Concerto" in SM Mall of Asia;
- 9. certified to be true copies of several print advertisements in newspapers and magazines;
- 10.images of the promotional items of the Anne Curtis Collection, which includes "FIERCE";

- 11.screen shots of the BENCH website featuring Celebrity Scents Collection; and,
- 12. list of stores currently selling the "FIERCE" product.⁵

The preliminary conference was scheduled and terminated on 19 June 2014 wherein the parties were directed to submit their respective position papers. After which, the case is deemed submitted for decision.

The issue to be resolved is whether the Respondent-Registrant's registration for the mark "BENCH FIERCE" should be cancelled.

For comparison, the competing marks are reproduced below:

FIERCE

BENCH FIERCE

Petitioner's mark

Respondent-Registrant's mark

If not for the word "BENCH" in the Respondent-Registrant's mark, the competing mark are identical visually and aurally. Despite the additional word, however, they remain confusingly similar as give an impression that one is merely a variation of the other. 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 purchased as to cause him to purchase the one supposing it to be the other.⁶

Moreover, the Respondent-Registrant uses its mark on goods that are similar or closely related to the Opposer's, particularly fragrances, which flow on the same channels of trade and both falling under Class 03. Thus, it is likely that the consumers will have the impression that these goods or products originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court in **Converse Rubber Corporation v. Universal Rubber Products Inc.**⁷, to wit:

"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. Hence, though the goods of the parties are different, the defendant's product is such as might

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⁵ Exhibits "1" to "12", inclusive.

⁶ Societe des Produits Nestle,S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

⁷ G.R. No. L-27906, 08 January 1987.

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."

The public interest, therefore, requires that the 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 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 Petitioner's trademark application, which was filed only on 09 January 2009, obviously came after the Respondent-Registrant's. The latter filed an application of the mark "BENCH FIERCE" on 26 June 2012, which was eventually granted registration on 12 April 2013. The Petitioner, however, raises the issue of ownership.

In this regard, it is stressed that the Philippines implemented the TRIPS Agreement when the IP Code took into force and effect on 01 January 1998. Art. 15 of the TRIPS Agreement reads:

Section 2: Trademarks Article 15 Protectable subject Matter

- 1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words, including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible.
- 2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provision of the Paris Convention (1967).
- 3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that

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

intended use has not taken place before the expiry of a period of three years from the date of application.

- 4. The nature of the goods or sevices to which a trademark is to be applied shall in no case form an obstacle to registration of the trademark.
- 5. Members shall publish each trademark either before it is registered or promptly after it is registered and shall afford a reasonable opportunity for petitions to cancel the registration. In addition, Members may afford an opportunity for the registration of a trademark to be opposed.

Article 16 (1) of the TRIPS Agreement states:

1. The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, not shall they affect the possibility of Members making rights available on the basis of use.

Significantly, Section 121.1 of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") adopted the definition of the mark under the old Law on Trademarks (R. A. No. 166), to wit:

121.1. "Mark" means any visible sign capable of distinguishing the goods (trademark) or services (service mark) f an enterprise and shall include a stamped or marked container of goods; (Sec. 38, R.A. No. 166a)

Section 122 of the IP Code states:

Sec. 122. How Marks are Acquired. — The rights in a mark shall be acquired through registration made validly in accordance with the provisions of this law. (Sec. 2-A, R.A. No. 166a)

There is nothing in Section 122 which says that registration confers ownership of the mark. What the provision speaks of is that the rights in a mark shall be acquired through registration, which must be made validly in accordance with the provisions of the law.

Corollarily, Section 138 of the IP Code provides:

Sec. 138. Certificates of Registration. – A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. (Emphasis supplied)

Clearly, it is not the application or the registration that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators not to recognize the preservation of existing rights of trademark owners at the time the IP Code took into effect. The registration system is not to be used in committing or perpetrating an unjust and unfair claim. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership. The IP Code implements the TRIPS Agreement and therefore, the idea of "registered owner" does not mean that ownership is established by mere registration but that registration establishes merely a presumptive right of ownership. That presumption of ownership yields to superior evidence of actual and real ownership of the trademark and to the TRIPS Agreement requirement that no existing prior rights shall be prejudiced. In **Berris v. Norvy Abyadang**¹⁰, the Supreme Court held:

"The ownership of a trademark is acquired by its registration and its actual use by the manufacturer or distributor of the goods made available to the purchasing public. Section 122 of R.A. No. 8293 provides that the rights in a mark shall be acquired by means if its valid registration with the IPO. A certificate of registration of a mark, once issued, constitutes prima facie evidence of the validity of the registration, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate. R.A. No. 8293, however, requires the applicant for registration or the registrant to file a declaration of actual use (DAU) of the mark, with evidence to that effect, within three (3) years from the filing of the application for registration; otherwise, the application shall be refused or the mark shall be removed from the register. In other words, the prima facie presumption brought about by the registration of a mark may be challenged and overcome, in an appropriate action, by proof of the nullity of the registration or of non-use of the mark, except when Moreover, the presumption may likewise be defeated by evidence of prior use by another person, i.e., it will controvert a claim of legal appropriation or of ownership based on registration by a subsequent user. This is because a trademark is a creation of use and belongs to one who first used it in trade or commerce."

Evidence submitted shows that a party other than the Respondent-Registrant has been using the mark "FIERCE" on perfume and related goods even prior to its filing of an application on 26 June 2012. The Petitioner submitted evidence relating to the origin of its "FIERCE" trademark dating back to 2002, long before the filing of the Respondent-Registrant's trademark application or its alleged use of the contested mark. Noteworthy, the Respondent-Registrant does not dispute Petitioner's prior appropriation of the "FIERCE" mark abroad, but merely contending

⁹ See Section 236 of the IP Code.

¹⁰ G.R. No. 183404, 13 October 2010.

that the latter has no commercial or significant use of the "FIERCE" mark in the Philippines. In fact it admitted that it only started launching its "FIERCE" mark sometime in 2012, or at least ten years from the Petitioner's first use thereof.

Because the parties are in the same line of business as far as perfumes and scents are concerned, it is inconceivable that the Respondent-Registrant is not aware of the existence of the Petitioner's products with the brand/mark "FIERCE". What the Respondent-Registrant avers is that it is not aware of "FIERCE" products being sold in the Philippines when it contemplated filing the contested trademark application. In **Shangri-la International Hotel Management Ltd. vs. Developers Group of Companies, Inc.**¹², the Supreme Court made the following pronouncement:

"When a trademark copycat adopts the word portion of another's trademark as his own, there may still be some doubt that the adoption is intentional. But if he copies not only the word but also the word's exact font and lettering style and in addition, he copies also the logo portion of the trademark, the slightest doubt vanishes. It is then replaced by the certainty that the adoption was deliberate, malicious and in bad faith.

It is truly difficult to understand why, of the millions of terms and combination of letters and designs available, the respondent had to choose exactly the same mark and logo as that of the petitioners, if there was no intent to take advantage of the goodwill of petitioners' mark and logo."

Succinctly, 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. To allow Respondent-Registrant to register the subject mark will make trademark registration simply a contest as to who files an application first with the Office.

WHEREFORE, premises considered, the instant petition is hereby **SUSTAINED**. Let the filewrapper of Trademark Registration No. 4-2012-007664 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 April 2014.

ATTY. NATHANIEL S. AREVALO

Director IV
Bureau of Legal Affairs

¹² G.R. No. 159938, 31 March 2006.