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BEST WORLD INTERNATIONAL LIMITED, Opposer,

-versus-

IGNACIO T. MANGOSING, JR. Respondent-Applicant. IPC No. 14-2009-00195 Opposition to: Appln. Serial No. 4-2008-006583 Date Filed: 05 June 2008 TM: "MILAGRO AND DESIGN"

NOTICE OF DECISION

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GREETINGS:

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Please be informed that Decision No. 2015 - 12/2 dated June 26, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 26, 2015.

For the Director:

le con ri CRA Atty. EDWIN DANILO A. DAT **Director III** Bureau of Legal Affairs

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BEST WORLD INTERNATIONAL LIMITED,

Opposer,

-versus-

IGNACIO T. MANGOSING, JR. } Respondent-Applicant. } IPC No. 14-2009-00195

Opposition to: Application No. 4-2008-006583 Date Filed: 05 June 2008 Trademark: "MILAGRO AND DESIGN"

Decision No. 2015-____26

DECISION

BEST WORLD INTERNATIONAL LIMITED¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2008-006583. The application, filed by Ignacio T. Mangosing, Jr.² ("Respondent-Applicant"), covers the mark "MILAGRO AND DESIGN" for use on "herbal soap, hair, face, body moisturizing lotion, coconut body oil, coconut soap" under Class 03 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

III. DISCUSSIONS AND ARGUMENTS x x x

"3.1.1 A comparison of the subject mark 'MILAGRO & DEVICE' with Opposer's internationally well-known mark 'MIRAGLO & DEVICE' clearly shows that the former has misappropriated almost the entirety of the Opposer's mark. All the letters of Opposer's 'MIRAGLO' such as the letters 'M', 'I', 'A', 'G', 'L', 'O', appear in Respondent-Applicant's mark 'MILAGRO'. The only difference is the position of the letters 'R' and 'L'. Respondent-Applicant simply interchanged the position of the letters 'R' and 'L'. Respondent-Applicant simply interchanged the position of the letters 'R' and 'L' in the Opposer's mark, and adopted the resulting word as shown below with the interchanged positioning of the letters underlined, to wit:

"Opposer's mark -	MIRAGLO
"Respondent-Applicant's mark -	MILAGRO

"3.1.2 Opposer's mark and that of the Respondent-Applicant are composite marks consisting of a word mark and a device. The devices of the contending marks both relate to dots or circles. Opposer's device in its mark consist of several dots or circles in gathering from the outside to the inside or vise versa forming another circle, while that

1

¹A foreign organized and existing under the laws of Singapore, with principal office address at 1 Changi North Street 1 Lobby 2 Singapore 498789.

²With address at 156 F. Benitez Street, Unit 9, San Juan City, Philippines.

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

of Respondent-Applicant consists of dots or circles on top of the letter "I" but appearing as though it is a portion taken out of the circle of dots of Opposer, thereby signifying some relationship. A comparison of the Opposer's registered mark, and that of the Respondent-Applicant is shown below:

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"As shown above, the dominant element of bothmarks is the word portion which are written in nearly identical lower case font. While the color claimed by Respondent-Applicant in its application is green and light green, its actual use varies into green and white, and in both instances said color combination of Respondent-Applicant closely resembles Opposer's coor combination of green and gray. The dots or circles are both in the similar shade of the color green. There is no question of the great resemblance of the contending marks.

"3.1.3 In the case of McDonald's Corporation et al., vs. L.C. Big Mak Burger et al, G.R. No. 143993, August 18, 2004, the Supreme Court said:

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"3.1.4 The choice of colors by Respondent-Applicant for its mark clearly indicates copying and attempt to ride on the popularity of Opposer's mark. Respondent-Applicant uses green and light green while Opposer uses green and grey. In actual use, the Respondent-Applicant uses white and green on its mark. Opposer's uses a light color gray which nearly resembles white. The use of circles or dots as device is also indicative of imitation since the Respondent-Applicant could have used other shapes as a device to distinguish itself. But not only are the letters in the subject mark similar to the Opposer's mark, they also used green dots as their device which would confuse an ordinarily prudent consumer.

"3.1.5 An ordinary consumer will not scrutinize the entire details of the label which they encounter. One would only retain a general impression of the trademark retaining the dominant features of such. The similarity in both word and device will certainly confuse the buyer, particularly when direct selling method is used.

"3.1.6 In the case of Co Tiong vs. Director of Patents, 95 Phil. 1, this Court said: x x x

"3.1.7 Applying the test on idem sonans, 'MIRAGLO' and 'MILAGRO' when spoken, sound similar. Even if the letters 'R' and 'L' of 'MIRAGLO' are interchanged in 'MILAGRO', when the two words are pronounced, the sound effects are confusingly similar. Such similarity of sound already creates likelihood of confusion in the minds of the purchasing public.

"3.1.8 When the contending marks are pronounced, the sound is similar. In other words, the two marks are aurally and phonetically confusingly similar. Under the idem sonans rule, two marks used on identical or related goods may be confusingly similar if they have similar sound or pronunciation. As held by the Supreme Court in the case of Marvex Commercial Co., Inc., vs. Petra Hawpia and Co., et al.

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"3.1.9 The confusing similarity of the Opposer's mark 'MIRAGLO & DEVICE' and Respondent-Applicant's 'MILAGGRO & DEVICE' mark are further emphasized because the goods covered by both marks are identical or closely related. Respondent-

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Applicant's application for the registration of 'MILAGRO & DEVICE' covers goods under Class 03 (specifically herbal soap, fair, face, body moisturizing lotion, coconut body oil, coconut soap). On the other hand, the goods covered by Opposer's registration for the 'MIRAGLO & DEVICE' mark are exfoliants for the care and cleansing of the skin which are goods also in Class 3.

"3.1.10 From the foregoing, it is clear that the goods covered by the Respondent-Applicant's application are classified under the same NICE Class as those covered in Opposer's registration: Class 03'. Not only do the goods of the Respondent-Applicant and the Opposer belong to the same NICE Class, but they are in fact very closely related if not identical, as they are all skin care products.

"3.1.11 Since Respondent-Applicant's mark cover goods which are identical and closely related to those of the Opposer, Respondent-Applicant's trademark application is therefore proscribed by Section 123.1 (d) of the IP Code from being granted registration in the Philippines, which provides:

$\mathbf{x} \mathbf{x} \mathbf{x}$

"3.1.12 The case of American Wire and Cable Co., vs. Director of Patents (31 SCRA 544) is applicable to the instant case. In said case, the Supreme Court held:

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"3.2.1 Under Section 147.1 of the IP Code, Opposer being the owner of the trademark 'MIRAGLO & DEVICE' has the exclusive right to prevent third parties from using identical or similar signs for goods which are identical or similar to those in respect of which the trademark is registered, to wit:

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"The proposed goods of the Respondent-Applicant in the subject trademark application cover goods in Class 3, such as herbal soap, hair, face, body moisturizing lotion, coconut body oil, coconut soap. Respondent-Applicant's actual use of the confusingly similar application, but also to related goods also in class 3 such body scrub (x x x) and other goods listed in Respondent-Applicant's Retail Price List (x x x) such as liquid bath soap, moisturizing shampoo, face and body wash, all in Class. Undoudtedly, the Respondent's goods for its proprosed mark 'MILAGRO AND DEVICE' are identical to the goods covered by Opposer's mark 'MIRAGLO & DEVICE' hence, the instant trademark application must be rejected, as it would cause confusion in the mind of the public, and dilute Opposer's well-known mark.

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"3.3.1 Opposer is a company that specializes in the creation of health and wellness products which are distributed through their proprietary direct selling channel. Founded in 1990 with a firm commitment to provide the best quality products to enhance its customers' lives, Opposer has since evolved into one of the leading force in the health and wellness industry. Best World has since established its presence not only in its home country Singapore, but also in Malaysia, Indonesia, the Philippines, Vietnam, Thailand, Taiwan, Brunci and Australia, and will continue to expand in and outside South East Asia in the future.

"3.3.2 Opposer is ranked among Asia's 200 'Best Under a Billion List' for 2007 and 2008. The Opposer's products are based on Life Harmony approach that focuses on transforming customers through three integral aspects of wellness: Inner Harmony,

3

Outer Harmony, Lifestyle harmony. The Opposer's skin care products cater to skin enhancement and treatment which include, cleansers, toners, moisturizers, anti-ageing creams, and skin lightening products among others.

"3.3.3 Opposer is the owner of the internationally well-known trademark 'MIRAGLO & DEVICE(in colour)', which is registered with the IPPHIL. Attached herewith as Annex 'B' is an original download from the IPPhil which is currently having problems with its electrical system. Some of the details of the registration are as follows:

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"3.3.4 As stated by Efren Gumatay, Jr. (Exhibit 'C' and its sub-markings, On July 30, 2009, Opposer's distributor ACL BEAUTY & WELLNESS LIFESTYLE INC. ('ACL') located #8 Jade Garden Compound, Ortigas Avenue, Greenhills, San Juan, Metro Manila, has been selling 'MIRAGLO' branded products since 2007, and attached to his affidavit is a sample of the Opposer's product (Exhibits 'C-1', 'C-2').

"3.3.5 As the Supreme Court ruled in Faberge Inc. v. IAC (G.R. No. 71189, Nov. 4, 1992) citing Chuanchow Soy & Canning Co. v. Dir. Of Patents and Villapanta (G.R. No. L-13947, 108 Phil 833, 836):

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"3.4.1 Opposer's trademark 'MIRAGLO & DEVICE' are internationally wellknown, having met the criteria under Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Tradenames, and Marked or Stamped Containers. According to Section 123.1 (e) and (f) of the IP Code, a mark cannot be registered if it is identical with, or confusingly similar to well-known marks, such as Opposer's trademark 'MIRAGLO & DEVICE' to wit:

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"3.4.2 The obvious similarity between Respondent-Applicant's mark and Opposer's own registered trademarks can only lead to the conclusion that Respondent-Applicant intends to ride on the popularity of Opposer, thereby causing Opposer to incur monetary losses, and suffer the dilution of its trademark.

"3.4.5 Opposer will be damaged by the registration of the mark MILAGRO AND DEVICE in the name of Respondent-Applicant, considering that the Opposer's mark 'MIRAGLO & DEVICE' is registered, is being used and has already obtained goodwill and consumer recognition in the Philippines and throughout the world.

"3.4.6 It muse be noted that Opposer registrations and also pending applications for its MIRAGLO & DEVICE mark, in other countries as well:

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"3.4.7 Opposer is a direct-sales company and as such has various persons in the Philippines who take care of the direct sales and distribution of its products bearing the trademark 'MIRAGLO & DEVICE'. The total sales in the Philippines of the products bearing the trademark 'MIRAGLO & DEVICE' for 2008 are ab out SGD 18,000.

"3.4.8 Furthermore, the unauthorized use by others of a trademark similar to Opposer's well-known trademark 'MIRAGLO' will certainly dilute the distinctiveness of said trademark, and adversely affect the function of the same as and indicator of origin, and/or the quality of the product to which the mark is affixed.

"3.4.9 Exhibit 'E' and its sub-markings which is the affidavit of Amethyl Rizaldo further attests to the well-knownness of the Opposer's MIRAGLO & DEVICE on account of its presence in the internet which is viewed by users not only in the Philippines but worldwide.

"3.4.10 The term 'MIRAGLO' is a coined word of the Opposer by combining the word 'miracle' and 'glow', hence, a fanciful and arbitrary mark (Exhibit 'E-4'). Respondent's intention to ride on Opposer's well-known mark is clearly indicated by its flyer (Exhibit 'C-8') that states:

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"3.4.11 Hence, even the concept of Opposer is reflected in the flyer of Respondent-Applicant.

"In conclusion, the instant trademark application for the mark 'MILAGRO & DEVICE' should not be registered because it is confusingly similar to an internationally well-known mark already registered in the Philippines for similar or closely related goods in Class 3 in the name of Opposer who is entitled to protection as such registered trademark woner, and who is the owner, originator, and prior user of the mark 'MIRAGLO & DEVICE'. The registration of Respondent-Applicant's confusingly similar mark is likely to confuse or deceive the consumers as to the origin of the goods or business, causing injury to both the public and the Opposer.

The Opposer's evidence consists of the Special Power of Attorney appointing the law offices of HECHANOVA BUGAY & VILCHEZ as its attorney-in-fact for this opposition case; a copy of Certificate of Registration No. 4-2008-005754 for the trademark MIRAGLO & DEVICE (IN COLOUR); the affidavit of Efren G. Gumatay Jr., associate lawyer of the law firm of Hechanova Bugay & Vilchez; the affidavit of Ika Kusuma, Manager of Best World International Limited; the affidavit of Amethyl Ibarra-Rizaldo, paralegal of Hechanova & Company.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 07 October 2009. The Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark MILAGRO AND DESIGN?

Records show that the Opposer filed a trademark application for MIRAGLO & DEVICE (IN COLOUR) on 15 May 2008. The application matured into a registration and a Certificate of Registration was issued on 16 February 2009. The registration covers exfoliants for the care and cleansing of the skin under Class 03. On the other hand, the Respondent-Applicant filed the contested trademark application on 05 June 2008. This Bureau noticed that the goods indicated in the Respondent-Applicant's

5

⁴Marked as Exhibits "A" and "E", inclusive.

trademark application, i.e. herbal soap, hair, face, body moisturizing lotion, coconut body oil, coconut soap under Class 03, are closely-related to the Opposer's.

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

Opposer's trademark

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Respondent-Applicant's mark

The marks look and sound very similar, not only in the word but also in the device and color used. Both MIRAGLO & DEVICE (IN COLOUR) and MILAGRO AND DESIGN word marks have three (3) syllables, "MI-RA-GLO" and "MI-LAG-RO". Respondent-Applicant merely switched Opposer's letters R and L in coming up with the mark MILAGRO. It could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"⁵, "SAPOLIN" and LUSOLIN⁶, "CELDURA" and "CORDURA⁷⁷, "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of special significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.⁸

It is emphasized that a trademark must be a visible sign capable of distinguishing the goods or services of an enterprise.⁹ The essence of trademark

⁹ Sec. 121.1 of the IP Code.

6

⁵ MacDonalds Corp. et. al v. L. C. Big Mak Burger ,G.R. No. L-143993,18 August 2004.

⁶ Sapolin Co. v. Balmaceda and Germann & Co.m 67 Phil, 705.

⁷ Co Tiong SA v. Director of Patents, G.R. No. L- 5378, 24 May 1954; Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co. (1946), 154 F. 2d 146 148.)

⁸ Marvex Commerical Co., Inc. v.Petra Hawpia & Co., et. al., G.R. No. L-19297,22 Dec. 1966.



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.¹⁰ This Bureau finds that the mark applied for registration by the Respondent-Applicant does not meet this function.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-006583 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, 26 June 2015.

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

¹⁰ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.