



PHELPS DODGE PHILIPPINES, INC.,
Opposer,

-versus-

AMERICAN WIRE & CABLE CO., INC.,
Respondent-Applicant.

x-----x

IPC No. 14-2009-00140
Opposition to:
Appln Serial No. 4-2007-010123
Date Filed: 13 September 2007
TM: "FIBERFLEX"

NOTICE OF DECISION

E.B. ASTUDILLO AND ASSOCIATES

Counsel for the Opposer
10th Floor, Citibank Center
8741 Paseo de Roxas
Makati City

QUIAL BELTRAN & YU LAW OFFICES

Counsel for Respondent-Applicant
Unit 10L, Burgundy Corporate Tower
252 Sen. Gil Puyat Avenue, 1200 Makati City

GREETINGS:

Please be informed that Decision No. 2015 - 241 dated November 02, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 02, 2015.

For the Director:


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



PHELPS DODGE PHILIPPINES, INC.,	}	IPC No. 14-2009-00140
<i>Opposer,</i>	}	
-versus-	}	Opposition to:
	}	Application No. 4-2007-010123
	}	Date Filed: 13 September 2007
	}	Trademark: "FIBERFLEX"
AMERICAN WIRE & CABLE CO., INC.,	}	
<i>Respondent-Applicant.</i>	}	
x-----x		Decision No. 2015- <u>241</u>

DECISION

PHELPS DODGE PHILIPPINES, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2007-010123. The application, filed by American Wire & Cable Co., Inc.² ("Respondent-Applicant"), covers the mark "FIBERFLEX" for use on "*fiberglass reinforced telephone drop wire embossed on product*" under Class 09 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"The grounds for the opposition to the application for registration of the trademark FIBERFLEX are, as follows:

"1. The trademark FIBERFLEX being applied for by respondent-applicant is confusingly similar to opposer's trademark FIBERLITE, as to be likely, when applied to or used in connection with the goods of respondent-applicant, to cause confusion, mistake and deception on the part of the purchasing public.

"2. The registration of the trademark FIBERFLEX in the name of respondent-applicant will violate Section 123.1, subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, as follows:

"3. The registration and use by respondent-applicant of the trademark FIBERFLEX will diminish the distinctiveness and dilute the goodwill of opposer's trademark FIBERLITE.

4. The registration of the trademark FIBERFLEX in the name of respondent-applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

¹A domestic corporation organized and existing under the laws of the Philippines with business address at 2nd Floor Karrivin Plaza Bldg., 2316 Pasong Tamo St., Makati City, Philippines.

²With address at 8506 KM. 16, South Superhighway, Paranaque 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

"FACTS AND CIRCUMSTANCES
IN SUPPORT OF THE OPPOSITION

x x x

"1. In the Philippines, opposer is the owner/registrant of the trademark FIBERLITE under International Class 9, the particulars of which are, as follows:

x x x

"2. Opposer Phelps Dodge International (Philippines), Inc. has likewise caused the extensive promotion, advertising, sale and marketing of its products bearing the mark FIBERLITE in the Philippines. Copies of opposer's brochures and/or promotional materials are enclosed herewith as Annexes 'B' to 'C' and made integral parts hereof. Likewise, copies of sales purchase orders and invoices for products bearing the mark FIBERLITE are enclosed herewith x x x

"3. By virtue of Certificate of Registration No. 4-1999-005251 of the mark FIBERLITE in the Philippines and its continuous use since the year 2000, opposer has acquired a vested right over the mark in accordance with Section 122 of the Intellectual Property Code of the Philippines, as follows:

x x x

"4. Being the registered owner, opposer holds the exclusive right to use the mark FIBERLITE in the Philippines. Section 138 of the Intellectual Property code of the Philippines provides that:

x x x

"5. Section 147.1 of the Intellectual Property Code of the Philippines clearly confers on herein opposer Phelps Dodge International (Philippines), Inc. 'the exclusive right to prevent' herein respondent-applicant American Wire & Cable Co., Inc., which does not have the consent of Phelps Dodge International (Philippines), Inc. or its principal General Cable Corporation, from using, much less registering the confusingly similar mark FIBERFLEX, to wit:

x x x

"6. More importantly, Section 123.2 (d) of the same law prohibits the registration of a mark which is identical or confusingly similar with a registered mark of another entity, to wit:

x x x

"7. The registration and use by respondent-applicant of the trademark FIBERFLEX, which is confusingly similar with opposer's registered mark FIBERLITE is proscribed by law.

x x x

"8. The trademark FIBERFLEX of respondent-applicant American Wire & Cable Co., Inc. is confusingly similar with the registered trademark FIBERLITE of opposer Phelps Dodge International (Philippines), Inc. since:

"a. Both marks consist of nine (9) letters and three (3) syllables.

"b. Seven (7) out of nine (9) letters in both marks are identical. Hence, when viewed from a distance, both marks look the same.

"c. The first two (2) syllables of both marks, i.e. FI-BER, are exactly the same. The potential confusion is therefore real.

"d. Because of the near unanimity in the letters and syllables of the two (2) marks, the syntax, the sound and the pronunciation of the marks are the same. Phonetically therefore, the two (2) marks are practically identical and confusingly similar.

"e. Both marks are word marks in plain, block letterings and not stylized. Neither are in color nor are compounded with a unique device or design. Hence, the similarity between the two (2) marks is even more pronounced or enhanced.

"9. It is settled jurisprudence that identity or similarity in the dominant features of two (2) competing marks will cause mistake or confusion in the minds of the purchasing public. The case of Co Tiong vs. Director of Patents (95 Phil. 1 [1954]) categorically held, as follows:

x x x

"10. It has also been held in the case of Phil. Nut Industry, Inc. vs. Standard Brands, Inc. (G.R. No. L-23035, 31 July 1975, 65 SCRA 575) that:

x x x

"11. The dominancy test was applied by the Supreme Court in many other cases including Lim Hoa vs. Director of Patents (100 Phil. 214 [1956]), Converser Rubber Corporation vs. Universal Rubber Products, Inc. (G.R. No. L-27906, 08 January 1987, 147 SCRA 154) and Asia Brewery, Inc. vs. Court of Appeals (G.R. No. 103543, 05 July 1993, 224 SCRA 437).

"12. In the recent case of McDonald's Corporation, et. al. vs. L.C. Big Mak Burgers, et. al. (G.R. No. 143993, August 18, 2004), the Supreme Court likewise applied the test of dominancy in determining that the mark BIG MAC of McDonald's Corporation and the mark BIG MAK of L.C. Big Mak Burger are confusingly similar. The Court ruled, as follows:

x x x

"13. The reasoning in the McDonald's case (supra) applying the Dominancy Test is relevant in the instant case. The dominant feature in opposer's mark FIBERLITE is the mark itself, the first five (5) letters of which are identical to those of respondent-applicant's mark FIBERFLEX. The different sixth, seventh, eighth, and ninth letters in both marks in respondent-applicant's mark do not sufficiently distinguish the two marks from each other as they are similar in appearance. As such, the two (2) marks are, for all intents and purposes, practically identical and confusingly similar. The purchasing public will easily recognize and remember the letters F, I, B, E, and R, and hence, it is very easy to mistake respondent-applicant's products bearing the mark FIBERFLEX for opposer's goods bearing the mark FIBERLITE. Hence, the use and registration of the mark FIBERFLEX will create confusion, mistake and deception in the minds of the purchasing public.

x x x

"14. Moreover, it could also be observed that both marks cover exactly identical goods under International Class 9.

x x x

"15. Also, the goods being similar, they are sold, marketed and/or found in the same channels of business and trade, thus compounding the chance of confusion. Opposer's products FIBERLITE and respondent-applicant's mark FIBERFLEX are both sold in general merchandise stores and hardwares. Hence, when placed side-by-side in sales sold, buyers and consumers will definitely be confused to find the two almost identical products, with the same brand and for the same goods.

"16. Moreover, both products possess the same characteristics and properties and serve the same purpose. They are both used as telephone wires. Considering all these, the likelihood of confusion between the marks of opposer and respondent-applicant is enhanced.

x x x

"17. A boundless choice of words, phrases and symbols are available to a person who wishes to have a trademark sufficient unto itself to distinguish its products from those of others. There is no reasonable explanation therefore for respondent-applicant to use the word FIBERFLEX in its mark when the field for its selection is so broad. Respondent-applicant obviously intends to bank on the goodwill of opposer and pass off its products as those of opposer.

"18. Opposer Phelps Dodge International (Philippines), Inc. is a corporation which is majority-owned by General Cable Corporation which enjoys a unique geographical coverage that allows it to meet its customers' needs and requirements around the world. Copy of the 2008 Annual Report of General Cable Corporation is attached herewith x x x

"19. General Cable Corporation has a broad presence in North America, Latin America, Europe, Africa, Asia, and Oceania. By virtue of its strategic presence in the key areas around the world, General Cable has gained unparalleled goodwill.

"20. General Cable Corporation's goodwill has already been known as early as the start of the 20th Century. In fact, in 1884, General Cable Corporation supplied the insulated wire to Samuel Morse, the originator of Morse Code, for his historic communication between Washington and Baltimore. It has likewise achieved the following ground breaking achievements:

x x x

"21. In the Philippines, General Cable Corporation's goodwill thru its Philippine subsidiary, Phelps Dodge International (Philippines), Inc., is very much recognized. No less than the largest telecommunications company in the Philippines is one of its clients, i.e., the Philippine Long Distance Telephone Company (PLDT). Its vast clientele also includes other telecommunications companies and the Government of the Philippines in its National Telecommunications Program. All these companies including the government extensively use General Cable Corporation's wires and cables.

"22. Testimony to General Cable Corporation's goodwill and success is its consistent growth of its income. In 2007, General Cable Corporation has obtained a net income of US \$ 217.2 million. Then in 2008, General Cable Corporation has obtained a net income of US \$ 208.6 million. Copies of Annual Reports of General Cable Corporation for the years 2007 and 2008 are enclosed herewith x x x

"23. In the case of American Wire & Cable Co. vs. Director of Patents (G.R. No. L-26557, February 18, 1970), the Supreme Court held that:

x x x

"24. In view of the foregoing, the registration and use of the trademark FIBERFLEX by respondent-applicant will deceive and/or confuse purchasers into believing that respondent-applicant's similar goods and/or products bearing said identical and confusingly similar mark emanate from or are under the sponsorship of opposer Phelps Dodge International (Philippines), Inc., registrant of the trademark FIBERLITE in the Philippines. This will therefore diminish the distinctiveness and dilute the goodwill of opposer's trademark.

The Opposer's evidence consists of a copy of Certificate of Registration No. 4-1999-05251; copies of brochures and/or promotional materials bearing the mark FIBERLITE; copies of sales purchase orders and invoices for products bearing the mark FIBERLITE; a copy of the 2008 Annual Report of General Cable Corporation; copies of the Annual Reports of General Cable Corporation for the years 2007 and 2008; and the affidavit-testimony of Felipe L. Posadas, Vice-President fro Administration of Phelps Dodge International (Philippines), Inc.⁴

This Bureau issued a Notice to Answer and sent a copy thereof upon Respondent-Applicant on 08 July 2009. The Respondent-Applicant filed their Answer on 08 September 2009 and avers the following:

x x x

"SPECIAL AND AFFIRMATIVE DEFENSES

"The allegations in the preceding paragraphs are repleaded herein by reference:

"5. The Opposer claims that Respondent's application for the trademark 'FIBERFLEX' is in violation of Section 123.1 subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, for the reason that it is identical and confusingly similar to its trademark 'FIBERLITE'.

"6. It is respectfully submitted that Respondent and Opposer's mark are not identical or confusingly similar. In the case of 'Fruit of the Loom vs. Court of Appeals, the Supreme Court aptly held that:

x x x

"8. In the present case, the contending marks are composed of three (3) syllables each, the first two syllables are the same but the third and last syllable of the said marks are entirely distinct and different from each other.

"9. The Opposer's mark last syllable consists of the word 'LITE' while the Respondent's mark last syllable consists of the world 'FLEX'. These syllables are not identical or the same both in spelling, pronunciation as well as in meaning, such that the likelihood of confusion among consumers is remote.

⁴ Marked as Exhibits "A" to "G", inclusive.

"9. Moreover, in 'Bristol Myers Co. vs. Director of Patents, the Supreme Court explicitly held that:

x x x

"10. Respondent's product could not be mistaken as that of the Opposer because the former's mark 'FIBERFLEX' is accompanied with 'AWCCI' or American Wire & Cable Co., Inc. This accompanying print was consciously placed and attached by Respondent to its product to show its origin in order to avoid mistake and/or confusion among consumers.

"11. Respondent's mark was not adopted to bank on the alleged good will of the Opposer. Rather, Respondent used the mark 'FIBERFLEX' for its product as a result of the confusion of the words 'FIBER' and 'FLEX'. The word 'FIBER' was adopted from the main and unique component of Respondent's product, Fiberglass Reinforced Telephone Dropwire, and 'FLEX', from DURAFLEX, the registered mark of the Respondent from which most of its marks are derived from.

"12. Simply put, the word 'FIBER' was taken from the product's material component Fiberglass, while 'FLEX' was derived from Respondent's registered mark DURAFLEX. The word 'FLEX' from DURAFLEX means flexible. The two words were combined together in one word to form the mark 'FIBERFLEX'.

"13. Finally, Opposer's allege use and registration of its mark 'FIBERLITE' does not vest it with exclusive right to use the word 'FIBER', the same being generic and not susceptible to exclusive appropriation.

The Respondent-Applicant's evidence consists of the Secretary's Certificate issued by Miguel Bichara, Corporate Secretary of American Wire and Cable Co.

On 11 January 2010, the Preliminary Conference was terminated and the parties were directed to file their respective position papers. Thereafter, the case was deemed submitted for resolution.

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

The Opposer anchors its opposition on Sections 123.1, paragraphs (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.Registrability. - 123.1. A mark cannot be registered if it:

x x x

(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;"

Records show that at the time the Respondent-Applicant filed its trademark application on 13 September 2007, the Opposer already owns trademark registration for FIBERLITE under Trademark Reg. No. 4-1999-05251 issued on 21 October 2002. The FIBERLITE registration covers telephone fiberglass reinforced wire under Class 09. This Bureau noticed that the goods indicated in the Respondent-Applicant's trademark application, i.e. fiberglass reinforced telephone drop wire in Class 09, are similar 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?

FIBERLITE

FIBERFLEX

Opposer's trademark

Respondent-Applicant's mark

This competing marks are used on fiberglass reinforced telephone wire. It is obvious, therefore, that the parties' marks are derived from the word "fiberglass". The word FIBER, thus, describes the goods or the kind of goods dealt in by the parties. In order to render such a mark with the distinctive character to be eligible for registration, letters, words or features should be used in combination with the word FIBER. Succintly, the Opposer's mark, composed of the word FIBER in combination with the word LITE, is distinctive enough to be registered albeit as a suggestive or a weak mark. Corollarily, an opposition cannot be sustained solely for the reason that the contending marks both contain the word FIBER. The determination whether there is confusing similarity would depend on the evaluation of the other words, letters or features that are added to the word FIBER. In fact, in the Trademark Registry, the contents of which the Bureau can take cognizance of via judicial notice, there is trademark registration utilizing the word FIBER. This registration, No. 4-2010-004820, covering the mark FIBERHOME & DEVICE for use on optical communication equipment; optical fiber and optical fiber cable; light conducting filaments [optical fibers [fibers]]; network communication device; data processing apparatus; measuring apparatus; transmitters [telecommunication]; integrated circuits; computers; galvanic cells belongs to a different proprietor, Fiberhome Telecommunication Technologies Co., Ltd.


In this instance, the use of the suffix FLEX to the word FIBER has rendered Respondent-Applicant's mark a character that is distinct from the Opposer's mark which used the word LITE in coming up with the mark FIBERLITE . The word FLEX is also connected with the Respondent-Applicant's registered trademark DURAFLEX under Trademark Reg. No. 15469 issued on 20 April 1970 for electric wires, cables under Class 09. FLEX is overwhelmingly visually and aurally different from LITE such that it is unlikely for the consumers to confuse or mistake one mark for the other.

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 This Bureau finds that the Respondent-Applicant's mark sufficiently serves this function.

WHEREFORE, premises considered, the instant Opposition is hereby DISMISSED. Let the filewrapper of Trademark Application Serial No. 4-2007-010123 together with a copy of this Decision be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 02 November 2015.


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

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