



KEMISTER CORPROATION,
Opposer,

-versus-

ALTACROP PROTECTION CORPORATION,
Respondent-Applicant.

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}
} IPC No. 14-2011-00514
} Opposition to:
} Appln. Serial No. 4-2010-007510
} Date Filed: 9 July 2010
} TM: "SHELTER 2, 4-D ESTER"
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NOTICE OF DECISION

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Pasig City

GREETINGS:

Please be informed that Decision No. 2015 - 249 dated November 04, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 04, 2015.

For the Director:

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


CERTIFIED TRUE COPY
DATE: NOV 11 2015
Sharon S. Alcantara
SHARON S. ALCANTARA
Administrative Officer III
Bureau of Legal Affairs



KEMISTAR CORPORATION,
Opposer,

-versus-

ALTACROP PROTECTION CORPORATION,
Respondent-Applicant.

} **IPC NO. 14-2011-00514**

} Opposition to:

} Appln. No. 4-2010-007510

} Date filed: 9 July 2010

}

} Trademark: "**SHELTER 2, 4-D**
ESTER"

}

} Decision No. 2015- **249**

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DECISION

KEMISTAR CORPORATION, (Opposer)¹ filed an opposition to Trademark Application No. 4-2010-007510. The application, in the name of ALTACROP PROTECTION CORPORATION (Respondent-Applicant)², covers the mark "SHELTER 2, 4-D ESTER", for use on "herbicides" under Class 5 of the International Classification of Goods³.

The Opposer cites the likelihood of confusion, fraud in procuring the registration and bad faith to deceive and falsely suggest a connection with the opposer as grounds for the opposition. It alleges, among other things, that:

"4. Opposer is and has been engaged in the manufacture, production and sale of agrochemicals since 1994;

"5. Agrochemical (or agrichemical), a contraction of agricultural chemical, is a generic term for the various chemical products used in agriculture. In most cases, agrochemical refers to the broad range of insecticides, herbicides and fungicides, but it may also include synthetic fertilizers, hormones and other chemical growth agents, and concentrated stores of raw animal manure;

"6. On 17 December 2004, opposer lodged an application with the Bureau of Trademarks to register the wordmark SHELL 2, 4-D ESTER for goods falling under International Class 5 namely, herbicide for the control of sedges and broadleaf weeds in rice, corn and sugarcane. The said application was docketed as Application No. 4-2004-011937;

¹ A domestic corporation duly organized and existing under Philippine laws with business address at No. 62-E Wyh Building, Katipunan Street, Concepcion Dos, Marikina City

² A domestic corporation duly organized and existing under Philippine laws with business address at Unit 403 Marcelita Building, 2560 National Highway, Brgy. Real, Calamba, Laguna

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.

"7. Opposer started using in earnest the trademark SHELL 2, 4-D ESTER on 3 January 2005. The nationwide, extensive and widespread sale of products bearing the SHELL 2, 4-D ESTER trademark attracted attention and gained notice not only from consumers but also from companies engaged in the marketing and sale of pesticide products who saw a big potential of success and profit on the product;

"8. On 28 June 2006, opposer applied for the registration of the mark SHELL 2, 4-D ESTER & Logo, under Application No. 4-2006-006921, which is a composite trademark consisting of the words, numbers and letter SHELL 2,4-D ESTER in block capitals and the logo of the geometric patterns, design of growing leaves and pictures of plants and bushes.

"9. On 15 February 2007, opposer was issued Certificate of Registration No. 4-2004-011937 for the wordmark SHELL 2, 4-D ESTER. Similarly, on 21 May 2007, the composite trademark SHELL 2, 4-D ESTER & LOGO was registered in the name of the opposer under Certificate of Registration No. 4-2006-006921;

"10. Opposer is also the owner of record of Certificate of Registration No. 4-2007-008098 for the mark SHELTER 2,4-D in respect of herbicides for the control of sedges and broadleaf weeds in rice, corn and sugarcane in International Class 5. Opposer's SHELTER 2,4-D mark has a date of registration of 28 April 2008, a filing date of 27 July 2007 and a date of first use of 8 March 2001, all of which antedates the dates of registration, filing of the application and constructive first use of respondent-applicant's trademark;

"11. Opposer acquired the rights, goodwill, title and interests to the trademark SHELTER 2, 4-D from its original owner, Carmelito V. Roy, pursuant to an Assignment of Mark dated 24 October 2011;

"12. Opposer has used its marks in commerce and has acquired a considerable and valuable goodwill and wide-scale recognition for its trademarks. The public has come to associate the opposer's trademarks with oppose and opposer's herbicides and related goods. Opposer's trademarks have acquired distinctiveness;

"13. Opposer's registrations are prima facie proof of ownership and use of the mark from the original date of filing of the application and of the exclusive right to use the registered mark in commerce;

"14. Respondent-applicant's trademark SHELTER 2, 4-D ESTER is identical to the trademark SHELTER 2, 4-D of the opposer and is likely, when applied to the identical goods of the respondent-applicant to cause confusion or to cause mistake or to deceive;

"15. On the other hand, respondent-applicant has appropriated the opposer's trademark SHELL 2, 4-D ESTER and SHELL 2, 4-D ESTER & Logo in its



entirety, and has varied from opposer's mark by merely substituting the last letter 'L' for the letter 'I' and adding the letters 'ER';

"16. Consumers hearing the respondent-applicant's mark will likely confuse it with the opposer's SHELL and SHELTER trademarks

xxx

"24. Respondent-applicant has not acquired a lawful right of ownership in the SHELTER trademark;

"25. If respondent-applicant has advised the Bureau of Trademarks of its status, registration would have been refused;

"26. Clearly, respondent-applicant procured approval of its application for registration by fraud on the Bureau of Trademarks;

"27. It is also apt to underscore the respondent-applicant's mark comprises of the terms SHELTER 2, 4-D ESTER, '2,4-D ESTER' is a generic term and as such, does not add distinctiveness to respondent-applicant's entire SHELTER 2, 4-D ESTER mark;

"28. The term '2, 4-D' is actually 2-4-Dichlorophenoxyacetic acid which is common systematic pesticide/herbicide used in control of broadleaf weeds. It is the most widely used herbicide in the world;

"29. '2, 4-D ESTER' is one of the two major formulations of the 2,4-D herbicides. The term 2,4-D ESTER is the chemical name or the most common name for this herbicide product;

"30. Clearly then, the 2,4-D ESTER element in respondent-applicant's trademark is unregistrable under Section 123.1 (h) of Republic Act No. 8293 which prohibits the registration of marks that are generic for the goods they seek to identify and Section 123.1 9i) which prohibits the registration of marks that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practice.

xxx

"37. In March 2005, respondent-applicant approached opposer with a proposal to use the trademark SHELL 2, 4-D ESTER for a fee. The initial proposal of respondent-applicant was followed by intense negotiations that culminated into a Memorandum of Agreement being entered into by the herein parties on 23 May 2005;

"38. Under the said Memorandum of Agreement, opposer gave respondent-applicant the right to use the trademark SHELL 2, 4-D ESTER for three consecutive years from the date of the signing of the Memorandum of Agreement.

For its part, the respondent-applicant will pay the opposer the sum of US\$8,000.00 for the first year, US\$9,000.00 for the second year and US\$10,000.00 for the final year of the contract for the right to use the SHELL 2, 4-D ESTER trademark; xxx

"45. Respondent-applicant's application to register the trademark SHELTER 2, 4-D ESTER was filed on 9 July 2010 or eight (8) days after the effective date of termination of the memorandum of Agreement between the herein parties. Xxx

"47. Indeed and as shown below, the specimens submitted by the respondent-applicant to demonstrate its intended use on herbicides of either the SHELTER 2, 4-D ESTER as originally filed or the revised SHELTER 2, 4-D ESTER mark are the spitting image of the prior registered trademark SHELL 2,4-D ESTER & LOGO of the Opposer.

"48. The use of an identical font/typeface, the same font size, logo, color and even sequence/arrangement of the literal and design elements were deliberately made by respondent-applicant with an evil and substantial intent to deceive if not, confuse the unsophisticated farmer consumers of herbicide products and/or to falsely suggest a connection with the oppose when such connection is neither warranted nor authorized. There is no doubt that the respondent-applicant's intended use of the mark points uniquely and unmistakably to opposer, and is intended to do so. Without doubt, respondent-applicant is in bad faith when it filed an application to register the trademark SHELTER 2, 4D ESTER and the other marks listed above xxx"

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

1. Affidavit –Direct Testimony of Mr. Jose DJ. Cruz dated 16 January 2012;
2. Certified true copy of Amended Articles of Incorporation and By-laws of Respondent-Assignee Kemistar Corporation issued by the Securities and Exchange Commission dated 6 January 2011;
3. Certified true copy of Articles of Incorporation of Altacrop Protection Corporation issued by the Securities and Exchange Commission dated 19 March 2010;
4. Memorandum of Agreement dated 23 May 2005 between Altacrop Protection Corporation and Kemistar Corporation;
5. Label of SHELL 2, 4-D ESTER and Logo;
6. Certified true copy of Certificate of Registration No. 4-2004-011937 for the mark "SHELL 2, 4-D ESTER" issued on 15 February 2007 to Kemistar Corporation;
7. Certified true copy of Certificate of Registration No. 4-2006-006921 for the mark "SHELL 2, 4-D ESTER AND LOGO issued on 21 May 2007;
8. Addendum to Memorandum of Agreement dated December 2007 between Altacrop Protection Corporation and Kemistar Corporation;
9. Letter to Altacrop Protection Corporation dated 9 June 2010;
10. Letter to Altacrop Protection Corporation dated 2 August 2010;

11. Letter addressed to the counsel of Kemistar Corporation dated 20 September 2010;
12. Copy of Trademark Application No. 4-2010-007510 of Altacrop Protection Corporation for the mark "SHELTER 2,4-D ESTER;
13. Copy of Reply to Paper No. 3 dated 20 November 2010;
14. Copy of Reply to Paper No. 9 dated 23 May 2011;
15. Copy of Assignment of Mark dated 24 October 2011;
16. Copy of Certificate of Registration No. 4-2007-008098 for the mark "SHELTER 2, 4-D" issued on 28 April 2008 in the name of Kemistar Corporation;
17. Copy of Declaration of Actual Use dated 27 January 2011; and
18. Technical fact sheet of "2,4-D"⁴

The Respondent-Applicant filed its Answer on 4 May 2012, alleging among other things, the following affirmative and special defenses:

"6. Firstly, it is important to state early on that Respondent is the registered owner of the 4-Leaf Design trademark registered on 5 November 2007 under Certificate of Registration No. 4-2007-000274, herein shown below:



"8. Secondly, Respondent is also the registered owner of the Shelter 2, 4-D Amine trademark under Certificate of Registration No. 4-2007-010899 shown below:



"13. A simple examination of the above trademarks, devices/logos and representations would readily show that herein applied for mark- Shelter 2,4-D ester, is but a combination, reiteration, replication, extension and/or expansion of

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



the already registered trademarks of the Respondent, i.e. the 4-leaf Design (under Certificate of Registration No. 4-2007-000274) combined with the Shelter 2, 4-D Amine (under Certificate of Registration No. 4-2007-010899 resulted to the applied for mark- Shelter 2, 4-D Ester, herein objected to by the Opposer; xxx

"17. The Shelter mark is clearly different in sound, pronunciation, spelling even in definition or connotation as against Opposer's Shell mark. By definition or connotation, Shell and Shelter have different meanings or reference. 'Shell' is commonly defined by dictionaries as 'a hard outer covering' i.e. a nutshell, the shell of a tortoise seashell'. On the other hand, 'Shelter' is commonly defined as a 'place that gives protection from the weather or safety from danger'.

"18. As a brand or mark for Respondent's herbicides products, said pesticides or weed killers provide protection and safety against unwanted weeds in a farmer's land or lot, hence, the mark 'Shelter'. Xxx

"36. In the Memorandum of Agreement (MOA) between the Opposer and Respondent it is clear, obvious and apparent that the word mark Shell (2, 4-D Ester) belongs to and is owned by the Opposer, whereas the four-Leaf Device placed in the label of the Shell 2,4-D product belongs and is owned by the Respondent.

"37. In other words, the said MOA refers to the trademark Shell 2, 4-D Ester under Certificate of Registration No. 4-2004-011937 which is a word mark DEVOID of any 4-Leaf Device and/or the so called Checkmark Design.

"38. A careful examination of the subject MOA will show that Respondent was NOT a licensee for the 4-Leaf Design and/or the copy-cat Checkmark Design as the same (4-Leaf Device nor Checkmark Design) was not involved nor was the subject trademark in that Agreement."

To support its Answer, the Respondent-Applicant submitted as evidence the following:

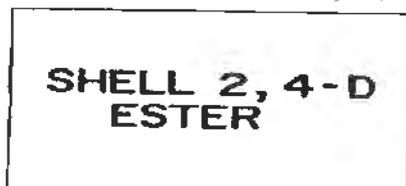
1. Affidavit of Grace E. Mogar dated 30 April 2012;
2. Certified true copy of Trademark Registration No. 4-2007-000274 for the mark "4 LEAF DEVICE" issued to Altacrop Protection Corporation on 5 November 2007;
3. Certified true copy of Trademark Registration No. 4-2007-010899 for the mark "SHELTER 2, 4-D AMINE" issued to Altacrop Protection Corporation on 23 March 2009;
4. Sample label of "SHELTER 2, 4-D AMINE";
5. Sample label of "SHELTER 2, 4-D ESTER";
6. Certificate of Product Registration of "SHELTER 2, 4-D AMINE" from the Fertilizer and Pesticide Authority dated 6 April 2011;
7. Certificate of Product Registration of "SHELTER 2, 4-D ESTER" from the Fertilizer and Pesticide Authority dated 17 October 2011;
8. Print out of the status of registration of the mark "SHELL" and

9. Copy of letter of Kemistar Corporation to 23 February 2005.⁵

The Preliminary Conference was held on 20 August 2012 wherein the parties were directed to file their position papers.

The subject marks are depicted below:

Opposer's marks



Respondent-Applicant's mark

**Shelter 2, 4-D
Ester**

Records show that the Opposer secured its registration for the mark SHELTER 2, 4-D under Registration No. 4-2007-008098 on 28 April 2008⁶ by way of assignment from Carmelito V. Roy on 24 October 2011⁷ with a filing date of 27 July 2007. The Respondent-Applicant secured Registration No. 4-2007-010899 for its SHELTER 2, 4-D AMINE trademark on 23 March 2009⁸.

However, in IPC No. 14-2011-00555, which involved the same parties, this Bureau granted ALTACROP PROTECTION CORPORATION's (herein Respondent-Applicant) Petition to Cancel KEMISTAR CORPORATION's (herein Opposer) Reg. No. 4-2007-008098. Decision No. 2015-119 promulgated on 26 June 2015, ALTACROP PROTECTION CORPORATION was declared owner of the SHELTER 2, 4-D mark, to wit:

⁵ Exhibits "I" to "9"

⁶ Exhibit "P"

⁷ Exhibit "O"

⁸ Exhibit "3"

A handwritten signature in blue ink, appearing to be "AZ".

"In the instant case, the Petitioner proved that it is the originator and owner of the mark SHELTER 2, 4-D. The Petitioner submitted a correspondence received from the Fertilizer and Pesticide Authority under the Department of Agriculture dated 7 December 2006 regarding the Petitioner's status of application for pesticide registration⁹. In said letter, the Fertilizer and Pesticide Authority, approved the brand name SHELTER 2,4-D. On 16 September 2011, it issued a certification¹⁰ that Mr. Carmelito Roy, the Respondent-registrant's assignor/predecessor-in-interest, had no license to distribute or sell "SHELTER 2, 4-D"; "AMINE". In this regard, the Petitioner cites Section 9 of Presidential Decree No. 1144¹¹, which states, to wit:

Section 9. Registration and Licensing. No pesticides, fertilizer or other agricultural chemical shall be exported, imported or manufactured, formulated, stored, distributed, sold or offered for sale, transported, delivered for transportation or used unless it has been duly registered with the FPA or covered by a numbered provisional permit issued by FPA for use in accordance with the conditions stipulated in the permit.xxx

No person shall engage in the business of exporting, importing, manufacturing, formulating, distributing, supplying, repacking, storing, commercially applying, selling, marketing of any pesticides, fertilizer and other agricultural chemicals except under a license issued by the FPA.

In addition, the Petitioner submitted sales invoices¹² clearly indicating the mark "SHELTER 2,4-D AMINE" proving that it commercially sold the products bearing the mark in the years 2007 and 2008, the earliest sales invoice dated 17 January 2007¹³, earlier than the Respondent-Registrant's filing date. As such, having established earlier use and ownership of the mark SHELTER 2, 4-D AMINE, the Petitioner would be damaged by Respondent-Registrant's continued registration of the mark, SHELTER 2, 4-D. xxx"

Anent the Opposer's argument that SHELTER 2, 4-D is similar to SHELL 2, 4-D ESTER, this Bureau finds that the differences between the marks are sufficient to distinguish one from the other, thus avoiding the likelihood of confusion. The alpha numeric code "2, 4-D" is irrelevant as this is descriptive or indicative of the active ingredients of the products. Succinctly, SHELL is monosyllabic, while SHELTER is composed of two syllables. The syllable "TER" has rendered the word SHELTER, visual and aural properties that are so distinct from the word SHELL. It is improbable for a consumer to believe that SHELTER 2, 4-D is the same product under the mark SHELL 2, 4-D. The concept or idea of SHELTER is different from SHELL. SHELL is defined as a "hard, rigid usually largely calcareous covering or support of an animal"¹⁴, while SHELTER means "something that gives protection, such as a building or a tent or the protection provided."¹⁵

⁹ Exhibit "I"

¹⁰ Exhibit "J"

¹¹ "Creating the Fertilizer and Pesticide Authority and Abolishing the Fertilizer Industry Authority", 30 May 1977

¹² Exhibit "L" with submarkings

¹³ Exhibit "L", "L"-1

¹⁴ www.merriam-webster.com/dictionary/shell

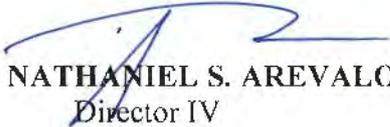
¹⁵ dictionary.cambridge.org/us/dictionary/english/shelter

Lastly, while it is true, as Opposer alleges, that the Respondent-Applicant filed the application soon after the termination of their Memorandum of Agreement on 1 July 2010, the Respondent-Applicant has already filed an application of the mark SHELTER 2, 4-D as early as 01 October 2007. The registration was in fact issued on 23 March 2009 under Reg. No. 4-2007-010899. The mark covered by Application No. 4-2010-007510, is just a variation of the mark covered by Reg. No. 4-2007-010899.

WHEREFORE, premises considered, the instant Notice of Opposition of Trademark Registration No. 4-2010-007510 is hereby DISMISSED. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 4 November 2015.


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