

JAC INTELLECTUAL PROPERTY PTY. LTD.,
Opposer,

-versus-

STREETWARD INTERNATIONAL INC.,
Respondent- Applicant.

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}
} **IPC No. 14-2013-00349**
} Opposition to:
} Appln. Serial No. 4-2013-500744
} Date Filed: 15 March 2013
} **TM: "IXS"**
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}

NOTICE OF DECISION

BARANDA & ASSOCIATES
Counsel for the Opposer
Suite 1002-B Fort Legend Towers
3rd Avenue corner 31st Street
Bonifacio Global City, Taguig City

ATTY. ESTRELLITA BELTRAN-ABELARDO
Counsel for Respondent-Applicant
Block 22, Lot 13 Singkil Street
Lagro Subdivision
Novaliches, Quezon City

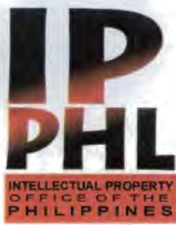
GREETINGS:

Please be informed that Decision No. 2016 - 254 dated July 14, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 14, 2016.

For the Director:

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



JAC INTELLECTUAL PROPERTY PTY. LTD.,
Opposer,

-versus-

IPC No. 14-2013-00349
Opposition to Trademark
Appln. No. 4-2013-500744
Date Filed: 15 March 2013

STREETWARD INTERNATIONAL INC.,
Respondent-Applicant.

Trademark: **"IXS"**

X ----- X

Decision No. 2016- 254

DECISION

Jac Intellectual Property Pty. Ltd.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2013-500744. The contested application, filed by Streetward International Inc.² ("Respondent-Applicant"), covers the mark "IXS" for use on *"garments and slippers"* under Class 25 of the International Classification of Goods³.

The Opposer alleges, among others, that its company was registered on 22 December 2004 and commenced operation in January 2005. It is driven by a relentless company mission to advance human performance through the development of world-leading athletic garments. Its mark "2XU" ("Two Times You") was coined and used as a trademark in 2005. The mark complements its tagline "Human Performance Multiplied" and believes that within all of us exists a desire for athlete supremacy, whether it is realized by an Olympic athlete or imagined by a weekend runner. "2XU" products have a single minded goal of equipping the athlete, so they feel more prepared, more race-ready and more capable than their competition. The said products have gained recognitions and awards worldwide and are endorsed by athletes of various sports. The "2XU" goods and packaging is used with the distinctive "X" logo and liners.

According to the Opposer, it holds eighty-four (84) registrations and applications for its "2XU" mark, the earliest of which was issued in Australia on 24 January 2005 under Registration No. 1038937. In the Philippines, it was issued registration for the said mark as early as 07 April 2011. It contends that the Respondent-Applicant's mark is almost identical or a mirror image of its marks. It claims that the latter's "IXS" products and packaging bear marks, designs and text that appear to have been copied from its "2XU" products and packaging, particularly

¹ A corporation duly registered and existing under the laws of Australia, with principal address at 243 Burwood Road, Hawthorn, Victoria 3122 Australia.

² A domestic corporation with address at No. 45 Detroit, Quezon City.

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.

compression apparel, making confusion more likely. In support of its Opposition, the Opposer submitted the affidavit of its authorized attorney, Clyde William Davenport, with annexes, and certified true copy of Registration No. 4-2010-007447.⁴

The Respondent-Applicant filed its Answer on 20 February 2014 alleging, among others, that "IXS" is an acronym for "I in extreme sports". It denies copying the Opposer's "2XU" mark explaining that its mark uses three letters all in lower case while that of the latter consists of the numeral "2" and the letters "X" and "U" in upper case. It asserts that although both marks contain a letter "U", the Opposer does not have exclusive or right thereto as the latter does not have any registration for the said letter. It cites other trademark registration for the letter "X", which are registered to other proprietors. It moreover maintains that the word "compression" for garment or sportswear was not applied or registered in favor of any person or entity as the same is descriptive. It furthermore contends that the Opposer cannot claim protection in the Philippines the mark "2XU" was registered in the country. The Respondent-Applicant's evidence consists of the following:⁵

1. judicial affidavit of Marcelino Chua, its President and CEO, with annexes;
2. copy of Trademark Application No. 4-2013-00500744 and description of the mark;
3. price list of "IXS" products;
4. comparison between the competing marks;
5. search result for trademark registrations for "X" and its computer printouts;
6. computer printout of Wikipedia showing the definition of "compression garment" and "compression sportswear".

Pursuant to Office Order No. 154, s. 2010, the Hearing Officer referred the case to mediation. This Bureau's Alternative Dispute Resolution Services, however, submitted a report that the parties refused to mediate. Accordingly, a Preliminary Conference was conducted on 24 June 2014. Upon termination thereof on the same day, the Hearing Officer directed the parties to submit their respective position papers. After which, the case is then deemed submitted for resolution.

The issue to be resolved is whether Respondent-Applicant should be allowed to register the trademark "IXS".

Section 123.1 paragraph (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides that:

"123.1. A mark cannot be registered if it:

⁴ Marked as Exhibit "A" to "J", inclusive.

⁵ Marked as Exhibits "1" to "6", inclusive.

(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; x x x"***

Records reveal that at the time the Respondent-Registrant filed the contested application on 15 March 2013, the Opposer already has valid and existing registration for the mark "2XU" under Certificate of Registration Nos. 4-2010-007447 and 4-2012-503134 issued on 07 April 2011 and 10 March 2013.

To determine whether the competing marks are confusingly similar, they are reproduced below for comparison:

2XU 2XU

Opposer's marks

IXS

Respondent-Applicant's mark

The competing marks similarly appropriate the letter "X". Although the Opposer's mark begin with "2" and end with "U" while that of the Respondent-Applicant begin with "I" and end with "S", the likelihood of confusion subsists. 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 In **Del Monte Corporation vs. Court of Appeals**⁷, the Supreme Court held thus:

"The question is not whether the two articles are distinguishable by their label when set side by side but whether the general confusion made by the article upon the eye of the casual purchaser who is unsuspecting and off his guard, is such as to likely result in his confounding it with the

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

⁷ G.R. No. L-78325, 25 January 1990.

original. As observed in several cases, the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade and giving the attention such purchasers usually give in buying that class of goods is the touchstone."

While it may be argued that the letter "X" is common, it is curious why the Respondent-Applicant similarly appropriated a mark consisting of three letters with "X" positioned in the middle. Noteworthy, the marks "2XU" and "IXS" also adopt similar presentation. Of course, 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 choose those so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark.⁸

Succinctly, since the Opposer's registration includes "*men's and women's clothing, footwear, headgear including swimwear, running wear, cycling wear, sportswear; all the aforesaid goods falling in class 25 only*" and "*shirts/tops (longsleeves, shortsleeves, sleeveless), polo shirts, shorts, pants, jackets, jumpers, cardigans, hoodies, track tops, track suits, track pants, vests, sweatshirts, sweatpants, jogging pants, swimwear, triathlon suits, triathlon shirts, triathlon shorts, triathlon pants, running shirt, running shorts, running pants, cycling shirts, cycling shorts, cycling pants, tights, underwear, socks, singlet, skirts, dresses, jeans, trousers, sports bra, trunks, bibs, sleeves, body warmers, performance clothing, belts, gloves, scarves, bands, trainers, classic trainers, running shoes, sports shoes, canvas, flip-flops, sandals, boots, cycling shoes, walking shoes, all condition shoes, climbing shoes, skate shoes, spikes and cleats, sneakers, caps, hats, visor, head band, bonnets, beanies, hoods, masks*", the Respondent-Applicant's use of the mark "IXS" on "*garments and slipper*" bolsters the likelihood of confusion, mistake and/or deception. It is highly probable that the purchasers will be led to believe that the Respondent-Applicant's mark is a mere variation of Opposer's mark. Withal, the protection of trademarks as intellectual property is intended not only to preserve the goodwill and reputation of the business established on the goods bearing the mark through actual use over a period of time, but also to safeguard the public as consumers against confusion on these goods.⁹

Moreover, it is settled that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. 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*: "Here though the

⁸ American Wire & Cable Company vs. Director of Patent, G.R. No. L-26557, 18 February 1970.

⁹ Skechers, USA, Inc. vs. Inter Pacific Industrial Trading Corp., G.R. No. 164321, 23 March 2011.

goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff, and the public would then be deceived either into that belief or into the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."¹⁰

Finally, it is emphasized that 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.¹¹ Based on the above discussion, Respondent-Applicant's trademark fell short in meeting this function.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1(d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2013-500744 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, **14 JUL 2016**


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

¹⁰ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

¹¹ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.