



**CHANEL SARL,**  
*Opposer,*

**-versus-**

**QING BIN LI,**  
*Respondent-Applicant.*

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**IPC No. 14-2014-00335**

Opposition to:

Appln. Serial No. 4-2014-00004657

Date Filed: 14 April 2014

**TM: COCO CLUB**

**NOTICE OF DECISION**

**SYCIP SALAZAR HERNANDEZ & GATMAITAN**

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SycipLaw Center  
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**MR. EDWIN S. GO**

*Representative of Respondent- Applicant*  
688 Asuncion Street,  
Binondo, Manila

**GREETINGS:**

Please be informed that Decision No. 2016 - 504 dated 23 December 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 05 January 2017.

**MARILYN F. RETUAL**  
IPRS IV  
Bureau of Legal Affairs

**CHANEL SARL,**

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}IPC NO. 14-2014-00335

}Opposition to:

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}Date filed : 14 April 2014

}Trademark: **COCO CLUB**

x-----x }Decision No. 2016- 504

### DECISION

**CHANEL SARL** (Opposer)<sup>1</sup> filed an opposition to Trademark Application Serial No. 4-2014-00004657. The application, filed by **QING BIN LI** (Respondent-Applicant)<sup>2</sup>, covers the mark “COCO CLUB”, for use on “shoes, slippers, sandals, athletic shoes, hats, jackets, socks” under Class 25 of the International Classification of Goods<sup>3</sup>.

The Opposer relies on the following grounds in support of its Opposition:

“1. Opposer is the registered owner in the Philippines of the COCO mark and various COCO composite marks, i.e. COCO CHANEL, COCO NOIR for goods in Class 3, 18, 25 under Registration Nos. 054979, 016026, 42009004284, 42012000486, 058525 and 047068. The trademark COCO was first registered in the Philippines in 1970 or long before Respondent-Applicant filed its application for registration for COCO CLUB with the IPO.

“2. Opposer, affiliated Chanel companies and their predecessors in business and title (collectively referred to as ‘Chanel’) have been using the mark COCO and composites including COCO such as COCO CHANEL, COCO COCOON, COCO MADEMOISELLE, COCO NOIR and ROUGE COCO (individually and collectively referred to as the ‘COCO Marks’) worldwide long before Respondent-Applicant adopted the COCO CLUB mark. Opposer is the first user of the COCO Marks in the Philippines, having utilized the same since at least as early as 2004.

“3. Respondent-Applicant’s mark COCO CLUB so resembles, and in fact, wholly incorporates the COCO mark as to be likely, when applied to

<sup>1</sup> A corporation duly organized and existing under the laws of Switzerland with address at Burgstrasse 26, CH-8750 Glarus, Switzerland

<sup>2</sup> with address at F.B. Harrison, Pasay City

<sup>3</sup> 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.

or used in connection with identical or related goods of Respondent-Applicant, to cause confusion, mistake, deception on the part of the purchasing public by misleading them into thinking that Respondent-Applicant's goods either come from Opposer or are sponsored or licensed by it.

"4. The goods for which the Respondent-Applicant's mark are applied for are identical or closely related to the goods for which Opposer's COCO Marks are used and/or registered. Respondent-Applicant's COCO CLUB mark is sought to be registered for goods in Class 25, for which class of goods the COCO mark is likewise registered.

"5. The registration and use by Respondent-Applicant of the COCO CLUB mark will diminish the distinctiveness and dilute the goodwill of Opposer's COCO Marks. The COCO trade mark has been recognized as well-known marks by courts and intellectual property offices in various countries. xxx"

According to the Opposer:

"1. Opposer adopted and has been using the COCO Marks for 30 years, or long before Respondent-Applicant adopted the nearly identical COCO CLUB mark for identical or identical or closely-related related goods. The COCO Marks are registered or have been applied for registration in over 160 countries of the world.

"2. In the Philippines, Opposer is the registered owner, first user, and rightful owner of the COCO Marks, the marks having been used in commerce since at least 2004, or long before the application for registration of the COCO CLUB mark was filed in 2014.

"3. By virtue of prior and continued commercial use in the Philippines and worldwide, the COCO Marks have become internationally well-known among consumers who identified them with a wide range of high quality fashion, fragrance, cosmetics, beauty products originating from Chanel.

"4. The registration and use of a confusingly similar trademark by Respondent-Applicant will tend to deceive and/or confuse purchasers into believing that Respondent-Applicant's products emanate from or are under the sponsorship of Opposer and damage Opposer's interests for the following reasons:

"i. Respondent-Applicant's COCO CLUB mark wholly incorporates Opposer's COCO mark combined with the non-distinctive word CLUB.

“ii. The goods on which the mark COCO CLUB will be used are identical or closely related to those for which Opposer’s COCO mark is used and/or registered. xxx

“iii. The goods on which the subject marks are used and to be used could flow through the same channels of trade which can only heighten the confusion and deception that can be wrought upon the consumers.

“iv. The use of the dominant element of the COCO Marks, i.e. COCO, with another word, CLUB, such that it is similar to the usual composition of other COCO composite marks, such as, COCO MADEMOISELLE, COCO NOIR, COCO CHANEL and COCO COCOON, implies a connection between Opposer and Respondent-Applicant’s products and confuses purchaser’s as to the origin of the goods, to the detriment of Opposer’s highly distinctive mark.

“v. Respondent-Applicant’s use of the mark COCO CLUB will diminish and dilute Opposer’s reputation and goodwill among consumers because the COCO mark has become exclusively associated with Opposer for clothing, footwear, fashion accessories and/or fragrance and beauty goods. Indeed, COCO is derived from the name of Chanel’s founder and is widely recognized as such around the world, particularly in the fields of fashion, fragrance and beauty.

“vi. Respondent-Applicant has applied to register the trademark COCO CLUB as a self-promoting trademark to gain public acceptability for its products through association with Opposer’s popular COCO Marks, which have attained international renown for products of the finest quality.

“vii. Respondent-intends to trade and is trading on Opposer’s goodwill. Opposer’s COCO mark is derived from the name of Chanel’s founder, which resonates with purchasers worldwide with respect to goods in Class 25.xxx”

The Opposer submitted as evidence the following:

1. Affidavit of Catherine Louise Cannon; Copies of Registration No. 016026 dated 10 December 1970 for the mark "COCO" covering goods under Class 3; Registration No. 4-1991-00054979 dated 4 May 1993 for the mark "COCO CHANEL" covering goods under Class 3; Registration No. 4-2009-004284 dated 14 January 2010 for the mark "COCO" covering goods under Classes 3, 14, 18, 26; Registration No. 4-2012-00000486 dated 8 February 2014 for the mark "COCO NOIR" covering goods under Classes 3; 18, 26; Registration No. 58525 dated 23 June 1994 2014 for the mark "COCO" covering goods under Classes 25; Registration No. 047068 dated 18 December 1989 for the mark "COCO

- CHANEL OPEN CARTON IN BLACK & GOLD WITH WORDS" covering goods under Class 3;
2. Sample commercial invoices;
  3. List of registrations in various countries for the mark "COCO";
  4. Copies of trademark registrations of the mark "COCO" abroad;
  5. Print-out of advertisements, promotional materials;
  6. Sample decisions involving the mark "COCO" in other jurisdictions;
  7. Copies of Decision in IPC No. 14-2009-000254 involving the mark ;"COCOQUEEN"; Appeal No. 14-09-22 involving the mark "COCO VIBE"; IPC No. 14-2009-00011 involving the mark "COCOLIPS";
  8. Print-out of articles featuring top brands; and
  9. Sample articles, advertisements of the mark COCO CHANEL in magazines and internet.<sup>4</sup>

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 30 October 2014. The Respondent-Applicant, however, did not file an Answer. A preliminary conference was conducted on 20 May 2016 for comparison of Opposer's exhibits to its originals.

Should the Respondent-Applicant be allowed to register the trademark COCO CLUB?

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

- (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.

The records show that when the Respondent-Applicant filed its application on 14 April 2014, the Opposer already had existing registration for the trademark "COCO" covering goods under Classes 25, namely: "clothing namely: women's suits, coats, blouses, dresses, skirts, shawls, scarves, jackets, belts, gloves, stockings, panties, brassieres, corsets, camisoles, slips, hosiery, footwear, namely shoes, boots, slippers, headgear".<sup>5</sup> The Respondent-Applicant uses his mark on goods also under class 25 that are similar or closely related to the Opposer's, particularly, "shoes, slippers, sandals, athletic shoes, hats, jackets, socks", that flow through the same channels of trade.

<sup>4</sup> Exhibits "A" to "I" with Annexes

<sup>5</sup> Exhibit "A"

But do the competing marks, depicted below resemble each other such that confusion, even deception, is likely to occur?

COCO CHANEL

Opposer's mark

*Coco club*

Respondent-Applicant's mark

The marks use the identical word COCO. The Opposer's mark COCO CHANEL is derived from the name of its founder Gabriel Bonheur Chanel, or Mademoiselle Coco Chanel, or simply Coco. She revolutionized haute couture and has become one of the fashion world's most influential figures.<sup>6</sup> Not only has the Opposer registered its marks in the Philippines<sup>7</sup> and abroad<sup>8</sup>, it has likewise sold products bearing its mark COCO in department stores, i.e. Rustan Commercial Corporation<sup>9</sup>. The Opposer submitted evidence of promotional activities and advertisements that feature the mark COCO. Evidence show that the Opposer has extensively featured and advertised its marks, COCO and COCO CHANEL in magazines and on-line.<sup>10</sup> Since both marks use the identical word COCO, on the same type of merchandise, visually and aurally, the competing marks are confusingly similar.

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Petitioner's it is likely that the consumers will have the impression that these goods originate from a single source or origin. The confusion or mistake would subsist not only the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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 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 belief that there is some connection between the plaintiff and defendant which, in fact does not exist.<sup>11</sup>

The public interest, therefore, requires that 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 a trademark is

<sup>6</sup> Annex "B"

<sup>7</sup> Exhibit "A"

<sup>8</sup> Exhibit "D"

<sup>9</sup> Exhibit "B"

<sup>10</sup> Exhibit "E" and "I"

<sup>11</sup> *Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

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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.<sup>12</sup>

The Respondent-Applicant despite the opportunity given, did not file an Answer in order to defend his trademark application and explain how it arrived at using a mark that is practically identical/confusingly similar to the Opposer's registered mark.

**WHEREFORE**, premises considered, the instant Opposition to Trademark Application No. 4-2014-00004657 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, **23 DEC 2016**



Atty. **ADORACION U. ZARE, LL.M.**  
Adjudication Officer  
Bureau of Legal Affairs

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<sup>12</sup> *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).