



INTELLECTUAL PROPERTY
OFFICE OF THE
PHILIPPINES

**MEDI PLUS TEC MEDIZINISCH TECHNISCHE
HANDELSGESELL SCHAFT MBH,**

Opposer,

-versus-

OCEAN WEALTH LIMITED,

Respondent-Applicant.

IPC No. 14-2014-00083

Opposition to:

Appln. Serial No. 4-2012-000951

Date Filed: 25 January 2012

TM: D & J

X-----X

NOTICE OF DECISION

HECHANOVA BUGAY VILCHEZ & ANDAYA-RACADIO

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MIGHTY CORPORATION

Respondent- Applicant's Agent

No. 9110 Sultana corner Trabajo Streets,

Makati City

GREETINGS:

Please be informed that Decision No. 2017 - 66 dated 10 March 2017 (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, 13 March 2017.

MARILYN F. RETUAL

IPRS IV

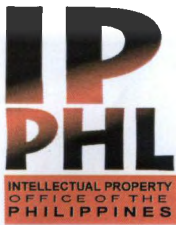
Bureau of Legal Affairs

**Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE**

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MEDI PLUS TEC MEDIZINISCH	}	IPC No. 14-2014-00083
TECHNISCHE HANDELSGESELL	}	
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	}	Date Filed: 25 January 2012
OCEAN WEALTH LIMITED,	}	Trademark: D & J
Respondent-Applicant.	}	
x-----x		Decision No. 2017 - <u>66</u>

DECISION

MEDI PLUS TEC MEDIZINISCH TECHNISCHE HANDELSGESELL SCHAFT MBH ("Opposer")¹ filed an Opposition to Trademark Application Serial No. 4-2013-000951. The application file by OCEAN WEALTH LIMITED ("Respondent-Applicant")², covers the mark D & J for use on "cigarettes" under class 12 of the International Classification of Goods³.

Opposer alleges the following grounds for opposition:

"A. Opposer is the prior adopter, user and true owner of the trademark D & J in the Philippines and elsewhere around the world.

"B. Respondent-Applicant's mark D & J is confusingly similar to Opposer's internationally well-known mark D & J trademark

"C. Being confusingly similar to Opposer's registered D & J mark in the Philippines, Respondent-Applicant's mark D & J should not be granted registration; and

"D. Opposer's D & J trademark and its variants are internationally well-known; and as such, are entitled to protection against confusingly similar mark.

¹ A corporation organized and existing under the laws of Germany with address at Baerler Strasse 100, 47441 Moers, Germany

² A company with address at 21 Jurong Port Road, #05-03 CWT Distripark, Singapore.

³The Nice Classification of goods and services is for registering trademark and service marks, based on a 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.

The Opposer's of evidence consists of the following:

1. Original Special Power of Attorney;
2. Authenticated Affidavit-Direct Testimony of Matthias Attila Paul Klute;
3. Certified copies of Certificates of Trademark Registration issued in Cambodia, Canada, Ethiopia, India, Indonesia, Iraq, Laos, Lesotho, Malaysia and Philippines; and
4. Representative samples of advertising and promotional materials of D & J.

This Bureau issued a Notice to Answer on 16 May 2014 and served the same to Respondent-Applicant on 20 May 2014. Despite receipt of the Notice, Respondent-Applicant failed to file the answer. On 12 September 2014, this Bureau issued Order No. 2014-1149 declaring Respondent-Applicant in default. Thus, this case is now submitted for resolution.

Should the Respondent-Applicant be allowed to register the mar D & J?

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.⁴

Sec. 123.1 (d) and (e) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (IP Code), as amended, provides:

Section 123.Registrability. - 123.1. 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;

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered

⁴ See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark.

Explicit from the afore-cited provision of the IP Code that whenever a mark subject of an application for registration resembles another mark which has been registered or has an earlier filing or priority date, or to a well-known mark, said mark cannot be registered.

The marks of the parties are reproduced below:

D & J

Opposer's Mark



Respondent-Applicant's Mark

There is no doubt that Opposer's and Respondent-Applicant's marks are confusingly similar. Both marks contain the letters "D" and "J" with the ampersand "&" in the middle. Although they are presented differently, that is, Opposer's "D & J" is written in plain black uppercase letters while Respondent-Applicant's "D & J" is written in descending position inside a red-colored rectangular geometric shape, these differences pales into insignificance because their marks are both "D & J". Aside from their visual similarity, the marks of the parties are aurally similar. Trademarks are designed not only for the consumption of the eyes, but also to appeal to the other senses, particularly, the faculty of hearing. Thus, when one talks about the Opposer's trademark or conveys information thereon, what reverberates is the sound made in pronouncing it. The same sound is practically replicated when one pronounces the Respondent-Applicant's mark. Especially when advertised on radio, there is no appreciable difference whereby consumers will be able to distinguish one from the other.

In addition, the goods of the parties are also similar, closely related if not identical. Respondent-Applicant's mark is being applied for use on "cigarettes" under

Class 34 which is covered by Opposer's goods which consists of "cigarettes, tobacco; smokers` articles; matches" also under Class 34. As such, the only thing that this Bureau needs to determine is who between Opposer and Respondent-Applicant is the true owner and prior user in commerce of the mark "D & J".

The records will show that at the time Respondent-Applicant applied for registration of the mark "D & J", Opposer has no existing registration or pending application for registration of the mark "D & J". Thus, at the time Respondent-Applicant filed the application for registration of his mark D & J, it appears that there was no bar to the registration of his mark.

However, in *E.Y. Industrial Sales, Inc. et. Al. v. Shendar Electricity and Machinery Co. Ltd.*, the Supreme Court held:

Sec. 134 of the IP Code provides that any person who believes that he would be damaged by the registration of a mark x x x may file an opposition to the application. The term any person encompasses the true owner of the mark, the prior and continuous user.

Notably, the Court has ruled that the prior and continuous use of a mark may even overcome the presumptive ownership of the registrant and be held as the owner of the mark. As aptly stated by the Court in *Shangri-la International Hotel Management, Ltd. v. Developers Group of Companies, Inc.*:

Ownership of a mark or trade name may be acquired not necessarily by registration but by adoption and use in trade or commerce. As between actual use of a mark without registration, and registration of the mark without actual use thereof, the former prevails over the latter. For a rule widely accepted and firmly entrenched, because it has come down through the years, is that **actual use in commerce or business is a pre-requisite to the acquisition of the right of ownership.**

x x x x

By itself, registration is not a mode of acquiring ownership. When the applicant is not the owner of the trademark being applied for, he has no right to apply for registration of the same. Registration merely creates a prima facie presumption of the validity of the registration, of the registrants ownership of the trademark and of the exclusive right to the use thereof. Such presumption, just like the presumptive regularity in the performance of official functions, is rebuttable and must give way to evidence to the contrary.

Clearly, it is not the application of the mark which confers ownership. A trademark is a creation of use and belongs to one who first used it in trade or commerce.⁵ The registration system is not to be used in committing or perpetrating an

⁵ *Berris v. Norvy Abdayang, G.R. No. 183404, October 13, 2010.*

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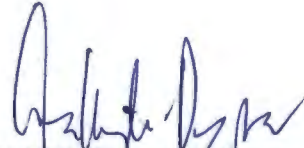
unjust and unfair claim. A trademark is an industrial property and the owner thereof has property rights over it. The privilege of being issued a registration for its exclusive use, therefore, should be based on the concept of ownership.

A closer scrutiny of the evidence of Opposer would show that it originally obtained a registration for the mark "D & J" in 25 September 2006. Although, it was later on cancelled for its failure to file the Affidavit of Use for the 5th Anniversary, Opposer re-applied on 05 October 2012 and was granted registration on 14 March 2013. It never abandoned the use of its mark "D & J" as there was no overt act from which it can be inferred that Opposer relinquish its right over the mark. In fact, the re-application by Opposer for registration of its "D & J" mark only bolsters the fact that it did not abandon the use and ownership of the mark. Thus, while Opposer has no existing registration or pending application at the time when Respondent-Applicant filed his application, the mark cannot be registered because Respondent-Applicant is not the true owner of the mark but Opposer. Thus, as the owner of the mark "D & J", the latter can oppose and has the right to oppose the application of the mark filed by Respondent-Applicant.

WHEREFORE, premises considered, the instant opposition is hereby *SUSTAINED*. Let the filewrapper of Trademark Application Serial No. 4-2014-000951, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 MAR 2017.


MARLITA V. DAGSA
Adjudication Officer
Bureau of Legal Affairs