



JACK SCHWARZ SHOES, INC.,	}	IPC No. 14-2008-00354
Opposer,	}	Opposition to:
	}	
- versus -	}	Appl. Serial No. 4-2008-005181
	}	Date Filed : 02 May 2008
LEILA T. CRISTOBAL,	}	Trademark : "LUGZ"
Respondent-Applicant.	}	
X ----- X		Decision No. 2009 - <u>132</u>

DECISION

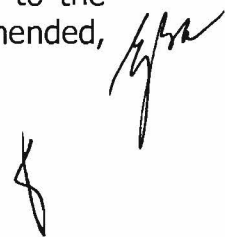
This pertains to a Verified Opposition filed on 12 December 2008 by herein opposer, Jack Schwartz Shoes, Inc., a company organized under the laws of the State of New York, U.S.A. with principal place of business at 155 Avenue of the Americas, New York, New York 10013, U.S.A., against the application filed on 02 May 2008 bearing Serial No. 4-2008-005181 for the registration of the trademark **"LUGZ"** used for goods in the following classes: *Class 03* namely, detergents, fabric conditioning preparations, fabric softeners, bleaching preparations, stain removing preparations, deodorizing and freshening preparations for use on clothing and textiles, preparations for washing clothing and textiles by hand, laundry starch, cleaning, polishing, scouring and abrasive preparations, skin care and personal care products, namely salts for the bath and the shower, soaps, liquid soap, toilet soaps, creams, milks, lotions, exfoliants, face and body powder, facial and skin whitening cream and lotion, facial and skin moisturizer, skin peeling oil and cream, facial cream, blush, lipsticks, eye shadow, eye pencil, mascara, eye liner, liquid and powder make-up, under-eye concealer, perfumes, toilet waters, eau de cologne, deodorants for personal use, essential oils, colognes, scented water, aromatics, toilet water, scented toilet water, scented lotions, scented cleansing milk, gels for cosmetic purposes, sun-tanning preparations (cosmetics), lotions for cosmetic purposes, beauty masks, face & body lotions, cleansing oils, face & body oils for cosmetic purposes, cleansing milk, bath & shower gels, hair oils, conditioners, shampoo, gel, hair dye, hair color, hair lotions, hair gels, toners namely, skin toners, skin bracers, skin fresheners, skin tonics and astringents, wrinkle removing skin preparations, cleansing creams (cosmetic), concealers (cosmetics), cosmetic suntan lotions, cosmetic sun-protecting preparations, cosmetic suntan preparations, make-up preparations, sprays, mousses and balms for the hair styling, hair lacquers, hair

colouring and hair decolorant preparations, permanent waving and curling preparations, essential oils for personal use; *Class 18* namely, straps, leashes, collars (for pets), furniture coverings made of leather or imitation of leather, purses, credit card holders, bags, school bags, knapsacks, luggage, shoulder bags, cases, handbags, beach bags, travel bags, rucksacks, billfolds, brief bags, clutch bags, sport bags, purses, wallets, key cases, suitcases, backpacks, shoe bags for travel, leather portfolios, duffel bags, bootbags, hold alls, briefcases, card cases, umbrellas, walking sticks, travelling trunks, parasols, whips, harness and saddlery; and *Class 25* namely, jeans, shirts, t-shirts, shorts, pants, khakis, skorts, skirts, sandos, muscle sleeve, polo, anoraks, slacks, sweaters, jackets, coats, dresses, belts, gloves, vests, scarves, sleepwear, underwear, hosiery, tights, leggings, rompers, overalls, babies napkin of textile, trousers, bathing trunks, bathing suit, swimsuit, beach clothes, bath robes, robes, suits, sweat-absorbent underwear, pyjamas, collar protectors, collars (clothing), detachable collars, ties, gowns, frocks, waistcoats, camisoles, layettes (clothing), pullovers (sweater), mittens, gloves (clothing) and stocking (sweat absorbent), cloth bibs, sleepers, jumpers, short sets, hooded cover ups, booties, overall playsuits, one-piece underwear suits, hooded shirts, hooded jumpers, jumper dresses, sweatshirts, sweatpants, hooded jackets, polo shirts, long sleeves, jumpsuits, jogging pants, walking shorts, pajamas, panties, briefs, necktie, cardigan, blouses, brassieres, panties, blazers, shawls, anoraks, aprons, ascots, beanies, bermuda shorts, bikinis, bloomers, blousons, camisettes, capri, capri pants, cardigans, cargo pants, chemises, chemisettes, cloth diapers, corselets, creepers, culottes, fleece shirts, fleece shorts, fleets pullovers, frocks, cloaks, girdles, hoods, jogging pants, jogging suits, kerchiefs, jerseys (clothing), kimonos, knickers, leggings, leotards, lingerie, loungewear, miniskirts, mules, neckerchiefs, negligees, overcoats, parkas, ponchos, rain coats, rain jackets, rain suits, rompers, saris, sarongs, school uniforms, trousers, snickers, smocks, slippers, tank tops, tights, wet suits, hats, caps, bandanas, bonnets, shoes, slippers, sandals, boots, socks, which application was published in the Intellectual Property Office Official Gazette, officially released for circulation on 22 February 2008.

The respondent-applicant in this instant opposition is Leila T. Cristobal with registered office address at No. 167 Cordillera Street, SMH, Quezon City.

The allegation of facts and the grounds in the instant opposition are provided, to wit:

"1. The registration of the LUGZ (LOGO) mark is contrary to the provisions of Sections 123.1 (e) of Republic Act No. 8293, as amended, which prohibit the registration of a mark that: x x x

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2. The Opposer is the owner of the well-known mark LUGZ in the particular style x x x

The mark LUGZ is registered in the name of Opposer, its subsidiaries and/or affiliates in various trademark registries around the world. In the U.S.A., the mark LUGZ is registered in the name of Opposer with the United States Patent and Trademark Office under class 25 for footwear and clothing for men, women and children. x x

3. Respondent-Applicant's mark LUGZ (LOGO) is confusingly similar to the Opposer's mark LUGZ as to be likely to deceive or cause confusion. This is apparent from a comparison of both marks.

The component "LUGZ" of Respondent-Applicant's mark LUGZ (LOGO) is an exact copy of the appearance, spelling, font, style, pronunciation and placement of the element "LUGZ" in the Opposer's mark LUGZ. Further, the oval design around the word "LUGZ" in Respondent - Applicant's mark is exactly the same as the oval design of Opposer's mark LUGZ.

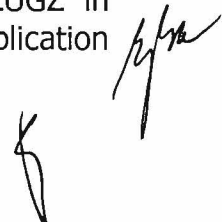
4. Hence, the registration of the Respondent-Applicant's mark will be contrary to section 123.1 (e) of Republic Act No 8293.

5. The Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act No. 8293, which provides: x x x

6. The Opposer is domiciled in the United States of America. Both the Philippines and the United States of America are members of the Paris Convention for the Protection of Industrial Property. x x x

7. The Opposer's mark LUGZ is a well-known and world famous mark. Hence, the registration of the Respondent-Applicant's mark LUGZ (LOGO) will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Sections 3 and 123.1 (e) of Republic Act No. 8293.

8. Opposer has used and continues to use the mark LUGZ in numerous countries worldwide prior to the filing date of the application subject of this opposition.

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9. The Opposer has also extensively promoted the mark LUGZ worldwide. Over the years, the Opposer has obtained significant exposure for the goods upon which the mark LUGZ is used in various media, including television commercials, outdoor advertisements, internationally well-known print publications, and other promotional events.

10. Opposer has not consented to the Respondent-Applicant's use and registration of the mark LUGZ (LOGO), or any other mark identical or similar to the Opposer's mark LUGZ.

11. The use by the Respondent-Applicant of the mark subject of the opposition in connection with footwear, clothing apparel and related goods will mislead the purchasing public into believing that the Respondent-Applicant's goods are produced by, originate from, or are under the sponsorship of the Opposer. Potential damage to the Opposer will be caused or put on the market by Respondent-Applicant under the mark LUGZ (LOGO).

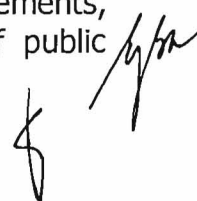
12. The use by the Respondent-Applicant of the mark subject of this opposition in relation to its goods, whether or not identical, similar or closely related to the Opposer's goods will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer's mark LUGZ.

13. The denial of the application subject of this opposition is authorized under other provisions of Republic Act No. 8293.

In compliance to Office Order No. 79, series of 2005, opposer submitted documentary evidence consisting of Exhibits "A", "B", "B-1", "B-2", "C", "D", "E", "F", "G", "H", "I", "J" and "K". Be it noted that documents submitted which are not in the required form cannot be admitted pursuant to **Office Order No. 79, series of 2005 or the Amendments to the Regulations on Inter Partes Proceedings**, which provides for the requirement in the filing of petition, to wit:

"Section 7. Filing of Petition or Opposition –

7.1 The petition or opposition, together with the affidavits of witnesses and originals of the documents and other requirements, shall be filed with the Bureau, provided, that in case of public



documents, certified copies shall be allowed in lieu of the originals.
x x x"

Subsequently, this Bureau issued a Notice to Answer dated 13 January 2009 to herein respondent-applicant, directing the filing of a Verified Answer within thirty (30) days from receipt. The notice was duly received on 06 March 2009 by Anariz Membrano, but despite sufficient lapse of time, this Bureau did not receive an Answer nor any motion related thereto from respondent-applicant. Thence, in accordance to Section 11 of Office Order No. 79, series of 2005 or the Amendments to the Regulations on Inter-Partes Proceedings, this instant case is deemed submitted for decision on the basis of the opposition and its evidence.

The Issue -

Whether or not respondent-applicant's trademark "**LUGZ**" is entitled to registration under Section 123 (e) of the Intellectual Property Code.

A cursory reading on the provision of **Section 123.1 (e), R.A. 8293 or the Intellectual Property Code**, specifically cited by herein opposer, provides for the criteria of registration of a trademark, to wit:

"A mark **cannot be registered** if it:

x x x

(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 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 determination 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;" (Emphasis Ours.)

The instant provision has the following **concurring** requisites: (1) the subject mark is identical with, or confusingly similar to, or constitutes a translation of opposer's mark; (2) the marks should be used for identical or similar goods or services; and, (3) the opposer's mark is well-known internationally and in the Philippines, whether or not it is registered in the Philippines.

The first requisite is the application of the principle of confusing similarity. The contending marks are reproduced below for comparison:



Opposer's Trademark




Respondent-Applicant's Trademark

The foregoing trademarks are obviously identical in words and similar in fonts. There is no distinctive device necessary to distinguish one mark from another. Thus, in so far as the visual and aural aspects of the contending mark, confusing similarity is apparent.

Looking at the goods covered by the marks, opposer alleged that its goods are under class 25 of the Nice Classification, consisting of almost all kinds of clothing apparels and footwear. However, a perusal of the records of this instant case reveals that opposer failed to show competent documents to establish its allegation. The photocopies of the documents, including the foreign registrations and its pending applications, serve no purpose. They are inadmissible in evidence because they are mere photocopies of original documents.

Moreover, it is a settled rule both in law and jurisprudence that the Law on Trademarks adheres to the principle of nationality and territoriality. As aptly put, the registration in USA and/or in other countries is not registration in the Philippines considering that USA is not Philippines.

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In the case of **Sterling Products International, Incorporated v. Farbenfabriken Bayer Aktiengesellschaft and Allied Manufacturing and Trading Co., Inc. GR No. L-19906, April 30, 1969**, the Honorable Supreme Court has this to rule, to wit:

"Neither will the 1927 registration in the United States of the BAYER trademark for insecticides serve plaintiff any. The United States is not the Philippines. Registration in the United States is not registration in the Philippines. At the time of the United States registration in 1927, we had our own Trademark Law, Act No. 166 aforesaid of the Philippine Commission, which provided for registration here of trademarks owned by persons domiciled in the United States.

x x x

There is nothing new in what we now say. Plaintiff itself concedes that the principle of territoriality of the Trademark Law has been recognized in the Philippines, citing *Ingenohl vs Walter E. Olsen*, 71 L. ed. 762. As Callman puts it, the law of trademarks "rests upon the doctrine of nationality or territoriality."

Finally, anent opposer's allegation of its "LUGZ" marks as well-known, this Bureau finds the substantial absence of evidence in terms of knowledge of the mark by the relevant sector of the public around the world as well as in the Philippines obtained as a result of the extent of the marks' actual use, registration, adoption and promotion.

Thus, opposer failed to meet the requirements set forth above to bar the application for registration of respondent-applicant's mark "LUGZ" under Section 123.1 (e), Republic Act No. 8293. Therefore, respondent-applicant's applied trademark "LUGZ" is entitled to registration under the law.

IN VIEW of all the foregoing, the instant Verified Notice of Opposition is, as it is, hereby **DENIED**. Consequently, trademark application bearing Serial No. 4-2008-005181 for the mark "LUGZ" on goods/services under classes 03, 18 and 25 filed on 02 May 2008 by Leila T. Cristobal is, as it is hereby, **GIVEN DUE COURSE**.

Let the file wrapper of "LUGZ", subject of this case be forwarded to the Bureau of Trademarks (BOT) together with a copy of this Decision for appropriate action.

SO ORDERED.

Makati City, 19 October 2009.



ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs

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