



THE ARMOR ALL/ STP PRODUCTS COMPANY (FORMERLY ARMOR ALL PRODUCTS CORPORATION),

Opposer,

-versus-

MARKETING EXCELLENCE CORP., Respondent-Applicant,

X-----X

IPC NO. 14-2006-00002

Opposition to: App. Ser. No. 4-2001-004844 Date Filed: July 6, 2001

TM: "ARMOR ALL"

DECISION NO. 65

DECISION

For decision is the Verified Notice of Opposition filed on January 2, 2006 against the application for registration of the mark "ARMOR ALL" for shoes, slippers, sandals, socks, boots and their accessories, raincoats under Class 25 of the International Classification of goods, bearing Application Serial no. 4-2001-004844 which was published in the Intellectual Property Office Electronic Gazette officially released for circulation on August 31, 2005.

Opposer, ARMOR ALL/STP PRODUCTS COMPANY, is a corporation duly incorporated under the laws of the State of Delaware, U.S.A., and with principal office address at 1221 Broadway, Oakland, California, 94612 U.S.A. On the other hand, Respondent-Applicant is MARKETING EXCELLENCE CORP., a domestic corporation existing and incorporated under the laws of the Philippines with address at Unit-A 150, 15th Avenue, Cubao, Quezon City.

The grounds for Opposition to the registration of the mark are as follows:

"1. Opposer (through its predecessor-in-interest Armor All Products Corporation) is the first user and owner of the internationally well-known trademark ARMOR ALL, which is registered and applied for registration in the Philippines under:

- (a) Registration No. 028484 issued on October 3, 1980, and renewed on October 3, 2000, for "preservative and beautifier for rubber, vinyl, leather and plastic" in Class 2; and

(b) Application No. 4-1998-008261 filed on November 10, 1998, for "car wash, tire shine, glass cleaner, wheel cleaner, multipurpose cleaner and car wax " in Class 3.

2. Applicant's trademark ARMOR ALL for goods in Class 25 is identical to Opposer's trademark ARMOR ALL, as to be likely, when applied to or used in connection with the goods of applicant, to cause confusion, mistake and deception on the part of the purchasing public by misleading them into thinking that Applicant's goods either come from Opposer or are sponsored or licensed by it. Hence, the registration and use by the applicant of the trademark ARMOR ALL will diminish the distinctiveness and dilute the goodwill of Opposer's trademark ARMOR ALL.

3. Applicant adopted the trademark ARMOUR ALL on its own goods with the obvious intention of misleading the public into believing that its goods bearing said trademark originate from, or are licensed or sponsored by Opposer, which has been identified in the trade and by consumers as the source of goods bearing the trademark ARMOR ALL.

4. Opposer has used and registered the trademark ARMOUR ALL in the Philippines and worldwide long before Application No. 4-2001-004844 was filed by the application on July 6, 2001.

5. Opposer's trademark is therefore an internationally well-known mark under Section 123.1(f) of the Intellectual Property Code of the Philippines ("IP Code") and protected under Article 6bis of the Paris Convention and Section 147.2 of the IP Code.

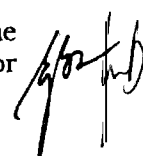
6. Under Section 147.2 of the IP Code, the exclusive right of the owner of a well-known mark which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered; Provided, that the use of the mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered mark; Provided further, that the interest of the owner of the registered mark are likely to be damaged by such use.

7. Applicant's appropriation and use of the trademark ARMOR ALL infringe upon Opposer's exclusive right to use the internationally well-known trademark ARMOR ALL, which is protected under the IP Code and Article 6bis of the Paris Convention.

8. Opposer's trademark ARMOR ALL is also distinctive element of opposer's trading name and is therefore entitled to protection under Section 165 of the IP Code which provides;

165.2 (a) Notwithstanding any laws or regulations providing for any obligation to register trade names, such names shall be protected, even prior to or without registration, against any lawful act committed by the third parties.

(b) In particular, any subsequent use of the trade name by a third party, whether as a trade name or a mark or



collective mark, or any such use of a similar trade name or mark, likely to mislead the public, shall be deemed unlawful.

165.3 The remedies provided for in Section 153 to 156 and Sections 166 and 167 shall apply *mutatis mutandis*.

The Opposer relied on the following facts to support its contentions on this Opposition:

"1. Opposer has adopted and used the trademark ARMOR ALL for its goods long before Applicant's appropriation of the trademark ARMOR ALL. Opposer has been commercially using the trademark ARMOR ALL prior to the appropriation and the filing of the application for the registration of the trademark ARMOR ALL by applicant.

2. Opposer has used, registered or applied for the registration of the said trademark in other countries worldwide.

3. Opposer's trademark ARMOR ALL is a well-known trademark within the meaning of section 123.1 of the IP Code and Section 6bis of the Paris Convention and is entitled to broad legal protection against unauthorized users like the Applicant who has appropriated it for its own goods.

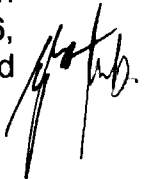
4. Opposer is the first user of the trademark ARMOR ALL on a wide variety of goods in Classes 2 and 3 applicant's registration and use of the trademark ARMOR ALL will allow it to unfairly benefit from the renown of Opposer's self-promoting trademark by misleading the public into believing that its goods originate from, or are licensed or sponsored by Opposer.

5. The registration and use of applicant's trademark will tend to deceive and/or confuse the public into believing that Applicant's products emanate from or are under the sponsorship of Opposer since Applicant's trademark is identical to Opposer's trademark ARMOR ALL.

6. Applicant uses ARMOR ALL on his own products to gain public acceptability for his products through his association with Opposer's well-known trademark ARMOR ALL. Applicant therefore intends to trade, and is trading on, Opposer's goodwill.

7. The registration and use of the identical trademark by Applicant will diminish the distinctiveness and dilute the goodwill of Opposer's trademark."

On January 22, 2006, a Notice to Answer the Verified Notice of Opposition was sent to the herein Respondent-Applicant. On February 28, 2006, Respondent-Applicant filed its Answer asseverating the following Special and Affirmative defenses:



1. That the goods on which the Respondent-Applicant is using its trademark ARMOR ALL are different from the goods on which the Opposer is using its trademark. The goods on which the Respondent-Applicant is using its trademark are shoes, footwear, socks, sandals, and slippers, rain boots and raincoats under Class 25 while those of the Opposers are products falling under Class 2 and Class 3, as shown in the trademark application filed by the Respondent-Application.

2. That by reason of the differences in the goods dealt in by the parties, the use of the said trademark cannot cause confusion, mistake, and deception and cannot mislead the purchasing public as to the source and other circumstances about the goods covered by their respective trademarks. The likelihood of possibility of confusion, mistake and deceit are remote or even nil:

3. The Opposer is not entitled to the protection of Article 6bis of the Paris Convention on the ground that the parties are using the trademark ARMOR ALL on their respective goods that are of different classification. The use of the said trademark by the respondent-applicant is not liable to confusion, short of the requirements in the Memorandum of the then Minister of Trade and Industry, Roberto Ongpin;

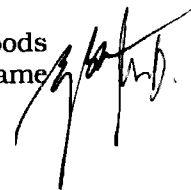
4. The Opposer cannot validity object to the use of the trademark ARMOR ALL as trademark for the goods of the respondent-applicant classified under Class 25 because the Opposer does not deal in said goods. This finds support in the ruling of the Supreme Court in the case of ESSO Standard Eastern, Inc. vs. Court of Appeal, 166 SCRA 336 and in the case of Kabushiki Kaisha vs. Court of Appeals and NSR Rubber Corporation G.R. No. 1209, July 20, 2000;

5. That the products of the contending parties flow on different channels of distribution. This affirms their dissimilarities. Buyers would definitely not be mistaken, confused or mislead into buying the products of ine instead of those of the other. This argument finds support in the case of ESSO Standard Eastern vs. Court of Appeals as cited above;

6. That goods dealt in by the parties are not related to each other because they belong to different classes and they do not have the same descriptive properties as they posses physical attributes that are different, and therefore the use of the trademark ARMOR ALL should not be denied to the respondent-applicant. This finds strong support in the cases of ESSO Standard Eastern vs. Court of Appeals, and United Cigarette Corporation 116 SCRA 342 and American Foundries vs. Robertson 269 US PO 372,381;

7. That the Opposer did not venture into the production of shoes, socks, slippers, boots, rain boots and raincoats, the Opposer should not claim that the respondent-applicant had invaded its alleged domain. To support this argument, it is well to cite the decision of the Supreme Court in the case of Faberge vs. IAC, 215 SCRA. The decision states further that:

"one who has adopted and used a trademark on his goods does not prevent the adoption and use of the same



trademark by others for products which are of a different description xxx. The certificate of Registration issued by the Director of patents can confer upon the on those goods specified in the Certificate of Registration subject to any condition and limitation stated therein."

8. That the goods of the respondent-applicant which are under Class 25 are not similar or related goods to the goods of the Opposer which are falling under Class 2 an Class 3.;

9. That inspite of the claim that the Opposer can establish prior use of the trademark ARMOR ALL in the Philippines, its claim of the prior alleged ownership and use is only with respect to shoes and other products under Class 25; This arguments finds support in the decision of the Director of Patents, Ignacio Sapalo in the case of SWATCH S. A. vs. Trident International trading, decision No. 96-2 (TM) February 29, 1996.;

10. That the products of the Opposer can use trademark ARMOR ALL and said mark for the Opposer under Class 2 and Class 3 can co-exist with ARMOR ALL for the products of the Respondent-Applicant under Class 25, in line with the decision of Director Ignacio Sapalo in the above-mentioned case of SWATCH vs. Trident International Trading;

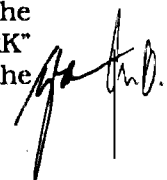
11. That the Opposer has no intention to engage in the business of producing and selling shoes, because he never included shoes or any other good classified under Class 25 in its application, in view thereof there can be no competition between the Opposer and the Respondent-Applicant. Section 20 of Republic Act 166 provides:

" Section 20. A Certificate of Registration of a mark or trademark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark or trademark, and of the registrant's exclusive right to use the same in connection with the goods, business or services specified in the certificate, subject to any conditions and limitations stated herein. "

12. That the lack of confusing similarity between the two trademark is question had been explained and taken into consideration favorably by the examiner-in-charge in the applicant's letter to the Director of trademarks.

13. That the refusal to register the respondent-applicant's application with serial No. 4-2001-0028-22 will bring about the retrenchment and unemployment of workers and the reduction of tax revenue as was anticipated by the Supreme Court in the case of Philip Morris, et. Al. vs. The Court of aAppeals, et. al., G.R. No. 91337, July 16, 1993 which states:

"On the economic repercussion of this case, we are extremely bothered by the doubt of having to participate in throwing into the streets Filipino workers engaged in the manufacture and sale of private respondent's "MARK" cigarettes who might be retrenched and forced to join the



ranks of the many unemployed and unproductive as a result of the issuance of a simple writ of injunction, and this, during the pendency of the case before the trial represented to a quarter million pesos annually. On the other hand, if the status quo is maintained, there will be no damage that will be suffered by petitioners in as much as they are not doing business in the Philippines. ”

The Opposer will not suffer damage by the registration and use of the trademark ARMOR ALL by the respondent-applicant because the Opposer is not dealing in the business of shoes and other products under Class 25 in the Philippines;

14. That as far as the use of the trademark ARMOR ALL in the Philippines the Opposer has no right to claim ownership and prior use because it never engaged in the production and sale of shoes in the Philippines. Our laws on trademark require actual use to justify ones claim of ownership of a trademark. The Respondent-Applicant has been actually using the trademark ARMOR ALL for his goods falling under Class 25 for a long time as shown by the Declaration of Actual Use filed by President of the marketing Excellence Corporation xxx. This requirement was submitted to comply with the requirement for the issuance of Notice of Allowance and Payment of Publication Fee showing that the said trademark of the respondent-Applicant was approved for publication xxx.

15. That the Opposer failed to satisfy the requirement of actual use of the trademark on shoes because it did not engage in the business of producing and sale of that product and other product under Class 25. Actual use is required by Philippine law. In the case of Philip Morris vs. Court of Appeals, et. Al. G.R. No. 91337, July 16, 1993, the Supreme Court ruled that;

“ Following universal acquiescence and comity, our principal law on trademarks regarding the requirement of actual use in the Philippines must subordinate an international agreement in as much as the apparent clash is being decided by a municipal tribunal. ”

Director Ignacio Sapalo adhered to this ruling in his decision in the case of SWATCH S.A. vs. Trident International Trading, Decision No. 96-2 (TM) February 29, 1996.

16. That the respondent-applicant, in promoting and marketing its goods never made any claim that they come from Opposers or that its business is related to that of the Opposer;

17. That the Opposer has no valid legal cause of Action against the Respondent-Applicant and its Notice of Opposition contains None.”

A Reply and Rejoinder were also filed. With the issues having been joined, the Bureau issued a Notice of Preliminary Conference on March 1, 2006. During the preliminary conference on March 30, 2006, the parties manifested their

willingness to explore the possibility of an amicable settlement so that the case was reset to May 2, 2006. During the hearing on said date, the parties manifested that they failed to come up with a compromise agreement, so that the preliminary conference was terminated. On May 9, 2006, Order No. 2006-659 was issued directing the parties to file their Position Papers within ten (10) days from receipt of the Order. On May 29, 2006, Opposer filed its Position Paper while Respondent-Applicant filed its Position Paper on June 1, 2006. Hence, the case is now ripe for Decision.

The main issue to be resolved in this case is: **Whether or not Respondent-Applicant's mark is confusingly similar to Opposer's mark.**

Section 123.1 (d) (e) and (f) of Republic Act No. 8293, as amended, provides:

"SEC. 123. Registrability. - 123.1 A mark cannot be registered if it:

x x x x

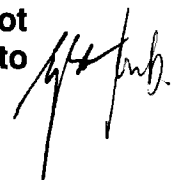
(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of:

- 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 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 section 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;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such us."

The main issue to be resolved in this case is: **Whether or not Respondents-Applicants' mark ARMOR ALL is confusingly similar to the ARMOR ALL mark of Opposer.**



Section 123.1 (d) (e) and (f) of Republic Act No. 8293, as amended, provides:

"SEC. 123. Registrability. - 123.1 A mark cannot be registered if it:

X X X X

(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 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 section 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;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such us."

The records of the case show that Respondent-Applicant's mark consist of the word **"ARMOR ALL"** in block letters used for goods under Class 25 such as shoes, slippers, sandals, socks, boots and their accessories and raincoats. Respondents-Applicants' mark was applied for registration on July 6, 2001.

On the other hand, as per evidence submitted, Opposer has an existing Philippine registration for the mark **ARMOR ALL** issued on October 3, 1980 under Registration No. R-28484 (Exhibit "J") for goods such as preservative and beautifier for rubber, vinyl, leather



and plastic belonging to Class 02 of the international classification of goods. It has also a subsisting registration issued by the Intellectual Property Office on October 30, 2004 under **Registration No. 4-1998-008261 (Exhibit "K")** for goods such as car wash, tire shine, glass cleaner, tire cleaner, wheel cleaner, multipurpose cleaner and car wax falling under **Class 03.** Opposer likewise submitted proof of registration of its mark **ARMOR ALL** in the U.S.A., Singapore, Korea, China (Exhibit "H") among others as listed under its Exhibit "I", which **registrations cover primarily goods under Class 2 and 3.** To prove that Opposer has extensively advertised its products, it also submitted copies of the advertisements of the product bearing the mark **ARMOR ALL.**

A comparison of the marks of the contending parties reveals that the marks are similar to each other. In view of their similarity, what remains to be determined is whether Respondent-Applicant's use of the similar mark would cause confusion or mistake on the unwary public as to the source or origin of the goods with which Respondent-Applicant deals. The rule that ownership of a trademark or trade name is a right that the owner is entitled to protect has been upheld in our jurisdiction. This is supported by Section 138 of Republic Act No. 8293 which states that: "a certificate of registration is a prima facie evidence of the registrants ownership of the mark, and of the exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto". **However, when a trademark is used by a party on a product in which the other party does not deal, the use of a same trademark on the latter's product cannot be validly objected to.¹ In the instant case, Respondent-Applicant uses its mark on goods falling under Class 25 while Opposer's registered trademark is used on goods belonging to Class 02 and 03. Considering that the goods of the parties belong to different classes what remains to be reckoned now is whether such goods are related.**

In the often-cited case of **ESSO STANDARD EASTERN, INC. vs. COURT OF APPEALS²,** the Supreme Court held that:

"Goods are related when they belong to the same class or have the same class or descriptive properties; when they possess the same physical attributes or essential characters with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or sold in grocery store. Thus biscuits were held related to milk because they are both food products. Soap and perfume, lipstick and nail polish are similarly related because they are common household items nowadays. The trademark "Ang Tibay" for shoes and slippers and pants were disallowed to be used for shirts and

¹ 116 SCRA 342 (1982).

² Supra.

pants because they belong to the same general class of goods. Soap and pomade, although non-competitive, were held to be similar or to belong to the same class, since both are toilet articles."

In the case of **FABERGE, INCORPORATED vs. INTERMEDIATE APPELLATE COURT**³, the High Court stated: "judging from the physical attributes of petitioner's and private respondent's products, there can be no doubt that confusion or the likelihood of deception to the average purchaser is unlikely since the goods are non-competing and unrelated. The glaring discrepancies between the two products had been amply portrayed to such an extent that indeed, "a purchaser who is out in the market for the purpose of buying respondent's BRUTE brief would definitely be not mistaken or misled into buying BRUT after shave lotion or deodorant" as categorically opined in the decision of the Director of Patents relative to the inter-partes case." (Underscoring supplied)

Prescinding from aforecited rulings, indubitably, Respondent-Applicant's sandals, shoes, slippers and boots that bear the mark ARMOR ALL are not related to Opposer's preservative and beautifier for rubber, vinyl, leather and plastic; car wash, tire shine, glass cleaner, fire cleaner, wheel cleaner, multipurpose cleaner and car wax which also carry the registered mark ARMOR ALL. The goods of the parties do not have the same descriptive properties. They do not have similar physical attributes or essential characteristics. In the same manner, the parties' goods serve different purpose and are sold through different trade channels. Respondent-Applicant's shoes, sandals are displayed and sold in department stores particularly in the shoes section while Opposer's goods are usually made available in specialized stores which distributes such kind of products and sometimes in grocery stores. The disparity of the goods of the parties reinforces the fact that it is unlikely that the use by Respondent-Applicant of the mark on its goods would cause confusion or mistake or would misled unwary or gullible purchaser who intends to buy the Opposer's glass cleaner or beautifier for leather would instead buy a sandals or slippers of the Respondent-Applicant or vice-versa. The mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the trademark by others on unrelated articles of a different kind.⁴

The Respondent-Applicant is correct in relying on the case of **CANON KABUSHIKI KAISHA vs. COURT OF APPEALS**⁵, which squarely applies in this case. The Supreme Court held in this case that:

³ 215 SCRA 326

⁴ American Foundries vs. Robertson, 269 USPO 372, 381).

⁵ G.R. No. 120900, promulgated on July 20, 2000.

In cases of confusion of business or origin, the question that usually arises is whether the respective goods or services of the senior user and the junior user are so related as to likely cause confusion of business or origin, and thereby render the trademark or tradenames confusingly similar. Goods are related when they belong to the same class or have the same descriptive properties; when they possess the same physical attributes or essential characteristics with reference to their form, composition, texture or quality. They may also be related because they serve the same purpose or are sold in grocery stores.

Thus, in *Esso Standard Eastern, Inc. vs. Court of Appeals*, this Court ruled that the petroleum products on which the petitioner therein used the trademark ESSO, and the product of respondent, cigarettes are "so foreign to each other as to make it unlikely that purchasers would think that petitioner is the manufacturer of respondent's goods". Moreover, the fact that the goods involved therein flow through different channels of trade highlighted their dissimilarity, a factor explained in this wise:

"The products of each party move along and are disposed through different channels of distribution. The (petitioner's) products are distributed principally through gasoline service and lubrication stations, automotive shops and hardware stores. On the other hand, the (respondent's) cigarettes are sold in sari-sari stores, grocery store, and other small distributor outlets. (Respondent's) cigarettes are even peddled in the streets while (petitioner's) 'gasul' burners are not. Finally, there is a marked distinction between oil and tobacco, as well as between petroleum and cigarettes. Evidently, in kind and nature the products of (respondent) and of (petitioner) are poles apart."

Undoubtedly, the paints, chemical products, toner and dyestuff of petitioner that carry the trademark CANON are unrelated to sandals, the product of private respondent. We agree with the BPTTT, following the *Esso* doctrine, when it noted that the two classes of products in this case flow through different trade channels. The products of petitioner are sold through special chemical stores or distributors while the products of private respondent are sold in grocery stores, sari-sari stores and department stores. **Thus, the evident disparity of the products of the parties in the case at bar renders unfounded the apprehension of petitioner that confusion of business or origin might occur if private respondent is allowed to use the mark CANON.**

Lastly, even assuming *arguendo* that Opposer's mark is well known, still it cannot preclude the registration of Respondent-Applicant's mark because the use by Respondent-Applicant of the mark for their goods does not indicate any connection whatsoever with the goods of Opposer nor has Opposer shown that its interest is likely to be damaged by Respondent-Applicant's use of the mark ARMOR ALL.

WHEREFORE, premises considered, the Notice of Verified Opposition filed by opposer, ARMOR ALL/STP PRODUCTS COMPANY

against respondent-applicant MARKETING EXCELLENCE CORP. is, as it is hereby **DENIED**. Consequently, the trademark application for "ARMOR ALL" bearing Serial No. 4-2001-004844 filed on July 6, 2001 by Respondents-Applicants under Class 25 of the International Classification of goods is, as it is hereby, **GIVEN DUE COURSE**.

Let the filewrapper of "ARMOR ALL" subject matter in the instant case be transmitted to the Bureau of Trademarks (BOT) for appropriate action in accordance with this DECISION.

SO ORDERED.

Makati City, 21 July 2006.


ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs 