

3M COMPANY,
Opposer-Appellant,

-versus-

SUPREMO'S FOOD CORPORATION,
Respondent-Appellee.

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Appeal No. 14-08-46

Inter Partes Case No. 14-2007-101

Opposition to:

Application No. 4-2003-004446

Date Filed: 19 May 2003

Trademark: 3M PIZZA PIE

DECISION

3M COMPANY ("Appellant") appeals Decision No. 08-192, dated 23 October 2008, of the Director of the Bureau of Legal Affairs ("Director"), denying the Appellant's opposition to the application of SUPREMO'S FOOD CORPORATION ("Appellee") for the registration of the mark "3M PIZZA PIE".

Records show that the Appellee Filed on 19 May 2003 its trademark application covering pizza and pasta under Class 30 of the Nice Classification.¹ The application was published in the "IPO e-Gazette" for Trademarks on 15 December 2006. On 16 April 2007, the Appellant filed a "NOTICE OF OPPOSITION" alleging the following:

1. It is the registered owner of the mark "3M" in the Philippines and is the first user and prior registrant of the mark and at least fifty (50) variations thereof covering a wide range of goods in the U.S. since 1906, in the Philippines, and other countries long before the Appellee appropriated 3M PIZZA PIE;
2. 3M is an arbitrary mark and is entitled to broad legal protection against unauthorized users like the Appellee which has appropriated the deceptively similar mark 3M PIZZA PIE.
3. 3M PIZZA PIE so resembles 3M because their dominant and distinctive elements (3M) are identical that when applied to or used in connection with the goods of the Appellee will likely cause confusion, mistake and deception, misleading the public into thinking that the Appellee's goods either come from or are sponsored or licensed by the Appellant;
4. It offers a number of products to the general public under the mark 3M, including home cleaning supplies, office supplies, fabric protectors, first aid products overhead projectors, car care products, and home improvement products;
5. It offers many products and solutions designed for and used in the food service industry, including restaurants of the type operated by the Appellee; these products include but are not limited to: food service cleaning chemical management system; restaurant floor maintenance products; products for monitoring and maintaining consistency and quality; wireless intercoms and headsets used by restaurants; floor mats and pads that provide safety and comfort for various restaurant application; griddle cleaning tools and supplies for restaurants; and various products used in making indoor and outdoor graphics for restaurants;
6. The registration and use by the Appellee of 3M PIZZA PIE will diminish the distinctiveness and dilute the goodwill of #M;
7. The Appellee adopted 3M PIZZA PIE after 3M was already famous and had acquired distinctiveness in the Philippines and worldwide;

8. The approval of the Appellee's mark is based on the representation that it is the originator, true owner and first user of the mark which was merely derived from Appellant's mark;
9. It is the first of the mark 3M in Philippines commerce and elsewhere, having utilized the same extensively for over 40 years in the Philippines and are so popular and have come to be associated with numerous products of the finest quality that the Appellee's use of a confusingly similar mark is likely to cause consumer confusion as to the origin of said goods;
10. The Appellee's use of 3M PIZZA PIE infringes upon its exclusive right to use 3M which is a well-known mark protected under Secs. 147 and 123.1 (d), (e) and (f) of the Intellectual Property Code ("IP Code"). Art. 6bis of the Paris Convention for the Protection of Industrial Property ("Paris Convention") and Art. 16 of the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement") to which the Philippines and the USA adhere;
11. It uses 3M not only as a mark but also as a trade name-"3M Company" and is protected by Art. 8 of the Paris Convention which provides that the trade name shall be protected in all countries for the Union without the obligation of filing or registration, whether or not it forms part of a trademark, as well as by Sec. 165 of the IP Code which provides that a name or designation may not be used as a trade name if by its nature or the use to which such name or designation may be put, it is contrary to public order or morals and if, in particular, it is liable to deceive trade circles or the public as to the nature of the enterprise identified by that name; and
12. In appropriating 3M PIZZA PIE, the Appellee betrayed its awareness of the Appellant's existence and the prior use and renown of 3M.

The Appellant submitted the following pieces of evidence to support its opposition:

1. Notice of Opposition, dated 06 March 2007;
2. Affidavit of Gregorio B. Serrano, executed on 13 April 2007;³
3. Certificates of registration for the mark 3M and 3M Philippines, Inc.;⁴
4. License Agreement between the Appellant and 3M Philippines, Inc.;⁵
5. Articles of Incorporation of the Appellant;⁶
6. Change of name of Minnesota Mining and Manufacturing Company to the Appellant;⁷
7. Invoices;⁸
8. Advertising and promotional materials;⁹
9. Certificates of registration for 3M from different countries issued in favor of the Appellant;¹⁰
10. Affidavit of Robert w. Sprague, executed on 22 March 2007;¹¹
11. Publications, annual reports and articles about the Appellant;¹²
12. Publications, products and advertisements about the Appellant's sponsorship of the 1988 and 1992 Olympic games;¹³
13. List of countries where the Appellant's marks are registered;¹⁵ and
14. Product Service Directory and catalogs of the Appellant's products;¹⁶

The Appellee filed its "VERIFIED ANSWER with MOTION TO EXPUNGE (Notice of Opposition dated 6 March 2007)" on 10 January 2008 alleging the following:

1. The Notice of Opposition must be expunged from the record for failure to comply with the provisions of the Registration on Inter Partes Proceedings ("Regulations") regarding the verification and certification against forum-shopping;

2. 3M PIZZA PIE is the first commercialized "Pinoy Pizza" in the Philippines which has been in operations since 1969 and to many, it is only seen as a business house but an institution;
3. It currently operates various company dealership outlets spreading all over Metro Manila and with over thirty (30) years of experience in the fast food business, 3M PIZZA PIE has made millions of Filipino pizza lovers happy with its crispy thin crust and sweet home-style sauce, a barrage of homegrown ham-squares and cheddar cheese;
4. With more and more pizza chains in the market today, 3M PIZZA PIE plans to re-established itself as one of the leading pizza companies in the Philippines by reinventing the brand and upgrading its image;
5. 3M PIZZA PIE was founded by Merlie B. Hemedes sometime in 1969 when she came back to the Philippines from the U.S and wanted to introduce pizza in the country through practicable channels;
6. She reinvented her pizza dishes by catering to the sweet taste of Filipinos with a unique sauce and thin crispy crust, topped with ham instead of pepperoni to make it very affordable for the Filipino masses and she used cheddar cheese instead of mozzarella;
7. In 1971, Merlie's sisters, Minerva B. Miller and Milagros B. Villar joined her and founded M(Cube) Enterprises, Inc. ("M Cube"); a few years later, another sister, Leandra B. Pascual, joined the company and helped in its management and operation;
8. Between 1970 to 1980, 3M PIZZA PIE branches sprouted in various location such as but not limited to Mabini, Padre Faura, Espana, Marphidia, Fiesta Carnival, san Lazaro, Vito Cruz, Luneta, Green Valley and Domestic Airport;
9. Between the years 1980 to 1990, 3M PIZZA PIE branches sprouted more and practically covered the entire Metropolitan Manila area and would become a rave not only among adults, but, among kids and/or teenagers;
10. By 1996, M Cube was dissolved when Milagros decided to leave the company; the outlets were divided among the sisters and the outlets of the three (3) sisters who stayed were reincorporated under the name of the Appellee which operated over 25 company and dealership outlets over Metro manila.
11. On 17 September 2006, which was 37th year anniversary of the first 3M PIZZA PIE store, a new management succeeded which plans to re-establish the Appellee as the leading quick-serve pizza, pasta and snacks in the country by reinventing the brand and upgrading its image; at present 3M PIZZA PIE serves regular pizzas, mini or mega sizes in various flavors;
12. 3M PIZZA PIE is not similar and/or identical to the Appellant's registered marks as to confuse the purchasing general public;
13. Aside from the big different in spelling, the fonts and/or designs f the Appellant's marks are different from its mark;
14. Its mark uses or utilities the words "Pizza Pie" appended to "3M" to point out that it merely serves, markets and/or sells pizza pies and not any other goods or services such as those being marketed, manufactured and sold by the Appellant;

15. When trademark is used by a party for a product in which the other party does not deal, the use of the same trademark cannot be validly objected to;
16. Its goods are marketed and/or sold through a different channel of trade from that of the goods of the Appellant and one who would want to purchase 3M PIZZA PIE would not enter and go to department stores and/or book stores;
17. There can be likelihood for the consumers of its pizza pies to confuse its source as majority if not all of its marketing labels, posters and/or flyers attaches and/or mentions the name of "Supremo Food Corporation" which is certain to catch the eye of the class of consumers to which it caters;
18. The Appellant's exclusive right to use its various 3M marks should be limited only to what were enumerated in its certificates in its certificates of registration;
19. The Appellant failed to show and prove by competent and verifiable evidence that 3M is famous and distinctive in the Philippines and that the Appellee's use of 3M PIZZA PIE began after the Appellant's mark became famous and such subsequent use defames the Appellant's mark;
20. Its goods and/or products and those of the Appellant co-existed peacefully for a considerable period of close to forty (40) years or since 1969, thus, it is obvious that there was indeed no dilution of the Appellant's goodwill, if any, nor was there any confusion as to the origin of the goods on the part of the general consuming public;
21. Given the long period of time that it was, and still is, engaged in the preparation, marketing, distribution and sale of 3M PIZZA PIES and the Appellant's delay in enforcing its rights (not to mention implied consent, acquiescence or negligence), equity, justice and fairness require this Office to rule in its favor; and
22. The Appellant will not incur any economic or business injury or damage by the reason of its use and registration of 3M PIZZA PIE.

The Appellee's evidence consists of the following:

1. Sworn affidavit of Zenaida I. Heborn, executed on 10 January 2008;¹⁷
2. Sworn affidavit of Renato N. Perpetua and Leanora F. Perpetua, executed on 10 January 2008;¹⁸
3. Article from the Manila Bulletin, dated 14 July 2004;¹⁹
4. Appellant's and Appellee's marks;²⁰
5. Sworn Affidavit of Emanuel V. Sun, executed on 10 January 2008;²¹ and
6. Sample posters or flyers.²²

The Director denied the Appellant's opposition and ruled that competing marks are not confusingly similar. According to the Director, although "3M" appears in both labels of the contending parties the presentations thereof are totally different, the goods involved are not similar or related, and they do not move in the same channels of trade. Hence, the likelihood that consumers will confuse one product with the other is remote. The Appellant's goods, as observed by the Director, are adhesives and nowhere in its trademark application and registration in the Philippines does it show that it intends to include food or food ingredients under its list of products.

The Appellant filed an "APPEAL MEMORANDUM" on 15 December 2008 insisting that the competing marks are identical and confusingly similar. Appellant also assert that it issue 3m as a trade name, which is protected under Art. 8 of the Paris Convention and Sec. 165 of the IP Code. Moreover, the Appellant is not further claims that its mark enjoys protection as a well-known mark, and the Appellee is not prior user in food faith, thus, not entitled to any form of legal

protection under the IP Code. Finally, the Appellant alleged that it will be prejudiced and its right to exploit the value of its mark will be curtailed by the Appellee's registration and use of 3M PIZZA PIE.

In its "COMMENTS (on Opposer-Appellant's Memorandum of Appeal' dated 15 December 2008)", filed on 23 March 2009, the Appellee alleges that the Director was correct in finding that 3M PIZZA PIE is not prohibited from being registered. The Appellee argues that 3M PIZZA PIE is not identical to 3M in any manner (sound or meaning), the goods involved are the same or closely related, non competing, and are marketed and/or sold in different channels of trade, thus, no confusion as to source and/or sponsorship of the goods could possibly result. According to the Appellee, 3M PIZZA PIE is directly, immediately and exclusively associated to it, has achieved meaningful commercial presence in the Philippine market for the past four decades, and the marks during this entire period. Moreover, the Appellant failed to prove that 3M is a famous mark, and even assuming that is recognized as well-known mark, the Appellant failed to show any single instance of a consumer perceiving a connection between the two marks, such less damage as a result of such a misperception in the forty (40) years that the Appellee has used 3M PIZZA PIE.

The Appellee further asserts a fact that it began using 3M PIZZA PIE in the Philippines market in 1969 while the Appellant admits to using 3M in Philippine commerce only in 1973, four years after it has long established market presence and goodwill for 3M PIZZA PIE. Finally, the Appellant does not enjoy exclusive use and market because there are current registrations for the, mark 3M for the same classes as the Appellant's mark. Even in the class protected under its trademark, there are no other trademark registrations belonging to other proprietors registered in the IP office.

Was the Director correct in denying the Appellant's opposition on the ground that the competing marks are not confusingly similar?

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.²³ Thus, Sec. 123.1 (d) IP Code States that a mark cannot be registered if it:

"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;"

As of the filing date the Appellee's trademark application, the Appellant has the following registrations for the mark 3M:

1. Cert. of Reg. No. 53426 for adhesive substances used in industry;
2. Cert. of Reg. No. 66917 ("3M-MATIC") for machines for applying adhesives tapes to boxes;
3. Cert. of Reg. No. 22353 for face masks; and
4. Cert. of Reg. No. 41998002390 for coated abrasives.

However, the goods covered by these registrations are not similar or identical to the goods covered by the Appellee's trademark application. In this regard, a certificate of trademark registration confers upon the trademark owner the exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.²⁴

But are the competing marks so assemble each other that would likely cause confusion or deception?

The Appellant's and Appellee's mark are reproduced below for comparison

Appellant's marks



Appellee's marks



"3M" is present in all of these marks. However, the words "Pizza Pie" in the Appellee's mark says that the product is "pizza pie". This clear message conveyed to the consumers by the Appellee's mark and the actual difference in the principal activities of the parties would prevent confusion, mistake or deception to the consumers. The Appellant offers a number of products to the general public under the mark 3M including home cleaning supplies, office supplies, fabric protectors, first aid product, overhead projectors are pizza and pasta food product. This Office finds it extremely unlikely for a consumer to associate 3M PIZZA PIE with the Appellant and its business. As correctly pointed out by the Director:

"The goods of the contending parties do not move in the same channels of trade and the possibly appears remote that purchases will confuse one product with the other because the goods are not similar nor are they related. It cannot be said that the other classes of goods which Opposer applied using the same trademark 3M are related in any way to the goods of the Respondent-Applicant which are food items, of the pizza and pasta variety or recipes in particular. Opposer's goods consist mainly of industrial tapes, adhesive and abrasive products whereas Respondent-Applicant's goods are food product. The fact that Opposer's 3M trademarks are applied on products which Respondent-Applicant does not deal negates the probability of confusion among prospective purchasers."²⁵

Since there is no reasonable basis to perceive a connection between the Appellee's "pizza pie" and the Appellant's goods, it is difficult to believe that the person who coined the mark 3M PIZZA PIE, Merlie B. Hemedes, was driven by ill-motive in adopting her mark. This Office finds the explanation as to the origin of the mark 3m PIZZA PIE plausible, to wit:

"...Remembering how, with her two sisters, she would invent recipes or introduce new changes to traditional Filipino dishes at their home kitchen, she therefore christened her

Italian-Filipino hybrid pizza in their honor (Merlie, Minerva, Milagros): hence, the mark 3M Pizza Pie.”²⁶

Considering that the Appellee’s use and registration of the mark 3M PIZZA PIE is unlikely to cause deception with respect to the parties’ goods and their origins, the Appellant stands to suffer no real damage. It is not even necessary to dwell on the Appellant’s argument that 3M is as well-known mark. The protection given to well-known marks by international agreements and the IP Code is applicable only against confusingly similar marks.

Accordingly, this Office finds that the registration of the Appellee’s mark is not barred by Sec. 123.1, pars. (d) to (f), nor by Sec. 165 of the IP Code.

WHEREFORE, premises considered, the instant appeal is hereby DISMISSED. Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy if this Decision for information, guidance, and records purposes.

SO ORDERED

Oct 19 2009, Makati City.

ADRIAN S.CRISTOBAL, JR.
Director General

FOOTNOTES:

1The Nice Classification is a Classification of goods and services for the purpose of registration trademarks and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks conclude in 1957.

2Annex “A” of the Manifestation & Motion, dated 16 April 2007

3 Annex “B” of the Manifestation & Motion, dated 16 April 2007

4Exhibit “A” of Annex “B”.

5Exhibit “B” of Annex “B”

6Exhibits “C” and “D” of Annex “B”

7Exhibit “E” of Annex “B”

8Exhibit “F” of Annex “B”

9Exhibit “G” of Annex “B”

10Exhibits “H” to “J” of Annex “B”.

11Annex “C” of the Manifestation & Motion, dated 16 April 2007

12Exhibit “A” of Annex “C”.

13Exhibit “B” of Annex “C”.

14Exhibit “C” of Annex “C”.

15Exhibit “D” of Annex “C”.

16Exhibit “E” of Annex “C”.

17Exhibit “1”

18Exhibit “1-A”

19Exhibit “2”

20Exhibit “3”

21Exhibit “4”

22Exhibit “5”

23Pribhdas J. Mirpuri v. Court of Appeals, G.R. no. 114508, 19 Nov. 1999.

24See Section 138 of the IP Code.

25Decision No.08-192, dated 23 Oct. 2008, page 29

26Comment p.3,