

AJINOMOTO COMPANY, INC.,	}	IPC No. 14-2003-00050
Opposer,	}	Opposition to:
	}	
-versus-	}	Serial No. 4-2000-004434
	}	Date Filed: May 31, 2000
D & L INDUSTRIES, INC.,	}	
Respondent-Applicant.	}	Trademark: "ACTIV"
x-----x	}	Decision No. 2007 – 11

DECISION

This pertains to the Notice of Opposition to the registration of the mark "ACTIV" bearing Application Serial No. 4-2000-004434 filed on 31 May 2000 for goods falling under Class 1, namely, surfactants and additives, which application was published for opposition in Volume VI, Number 1 issue of the IPO Official Gazette and which was released for circulation on May 26, 2003.

The Opposer in the above-entitled case is AJINOMOTO CO., INC., a foreign corporation organized and existing under the laws of Japan with business address at 15-1 Kyobashi 1 Chome, Chuo-ku, Tokyo, Japan.

The Respondent-Applicant, on the other hand, is D & L INDUSTRIES, INC., with address on record at 65 Industria St., Bagumbayan, Quezon City.

Accordingly, Opposer relied on the following facts and circumstances with the statement of its grounds for opposition:

"1. Opposer is a foreign corporation organized and existing under the laws of Japan with business address at 15-1 Kyobashi 1 Chome, Chuo-ku, Tokyo, Japan. A copy of Opposer's corporate charter is attached as Annex "A" hereof.

"2. Opposer is the owner of the mark "ACTIVA" having used the same in the manufacture, marketing and distribution of enzyme, enzyme preparations and transglutaminase for industrial use, and enzyme, enzyme preparations and transglutaminase for use in cooking worldwide. Opposer had obtained and applied for registrations for the said trademark in various countries, including the Philippines. Attached as Annex "B" hereof, is a list of trademark registrations which Opposer had obtained for the mark "ACTIVA" together with applications for registrations of the same. As may be noted from the list, the countries where the mark "ACTIVA" is registered or being applied for registration by the Opposer are signatories to the Paris Convention for the Protection of Industrial Property.

"3. Notably, Opposer obtained its first trademark registration for "ACTIVA" on August 31, 1993 in Japan. Attached as Annex "C" hereof is a copy of Notice of Registration No. 2565239 issued by the Japanese Patent Office with the English translation thereof. And Annex "D" is a copy of the registration data of Registration No. 2565239 output from the Japanese Patent Office Database. Since then, Opposer had continuously used the said mark in its products. In the Philippines, Opposer filed an application with this Honorable Office for the registration of the mark "ACTIVA" on October 30, 1998 and was assigned with Application Serial No. 4-1998-08057. Attached as Annex "E" hereof is a certified true copy of Opposer's application.

"4. Opposer is engaged in the business of manufacturing, packaging, selling at wholesale, exportation, distribution, transportation, dealing in and promotion of seasonings, processed foods, frozen foods, edible oils, pharmaceuticals, chemicals, animal feedings and amino acids. Since December 1, 1993, Opposer has been using the mark "ACTIVA" in its products, particularly enzyme, enzyme preparations and transglutaminase, to distinguish its goods from those of others. In the Philippines, Opposer's goods bearing the mark "ACTIVA" have been sold in the market since April 30, 1999. Said trademark has been used by Opposer in its products for more than 10 years worldwide. Said use has not been abandoned, and has in fact gained goodwill and high repute. Attached as Annexes "F" to "K" are a package of the products and brochures evidencing sale by Opposer of its products bearing the mark "ACTIVA".

"5. In the course of Opposer's continuous and notorious use and appropriation of the mark "ACTIVA" to identify its goods, its mark "ACTIVA" was firmly established and had obtained goodwill and general international consumer recognition as belonging to one source, that is, Ajinomoto Co., Inc. As a result, the consuming public has closely identified "ACTIVA" to refer to only such goods manufactured and sold by the Opposer.

"6. Early this year, Opposer learned of Respondent's application to register in its name the mark "ACTIV". The application was docketed as Serial No. 4-2000-004434 for "surfactants and additives" and filed on May 31, 2000. Opposer respectfully opposes the registration of the mark "ACTIV" in the name of Respondent on the following grounds:

- (a) Respondent's mark "ACTIV" is identical to Opposer's mark "ACTIVA";
- (b) Opposer has a better right to use the mark "ACTIVA" being the registered owner.

"7. Opposer would be greatly damaged by Respondent's registration of the mark "ACTIV" which is identical in sound and spelling to Opposer's trademark, which Opposer has appropriated used and has become distinctive of its goods. Accordingly, Opposer's mark "ACTIVA" has come to be and regularly known by the public as being Opposer's such that Opposer's trademark has become identified as coming from, or associated with, herein Opposer.

"8. It is apparent that Respondent's trademark is calculated to ride on or cash in on the popularity of Opposer's trademark "ACTIVA", which mark has earned goodwill and reputation through the latter's extensive and continuous use of the same worldwide.

"9. As the owner of the mark "ACTIVA", Opposer has a vested right to the exclusive use of such mark for its goods to the exclusion of others.

"10. Therefore, Opposer will stand to suffer grave and irreparable injury to their goodwill, reputation and business as a whole with the registration of the mark "ACTIV" in favor of Respondent. Under the circumstances, Respondent's Application Serial No. 4-2000-004434 for "ACTIV" must be denied.

"11. With the filing of this opposition, Opposer asserts its right to the ownership of the mark "ACTIVA" and its exclusive right to use the same."

In the Answer of Respondent-Applicant, the following admissions and denials were made:

"1. The allegations in paragraph 1 of the opposition are DENIED for lack of knowledge or information sufficient to form a belief as to the truth thereof.

"2. The allegations in paragraph 2 of the opposition are DENIED for lack of knowledge or information sufficient to form a belief as to the truth thereof.

"3. Paragraph 3 of the opposition is ADMITTED only insofar as it alleges that Opposer filed an application for the registration of the mark "ACTIVA" with the Intellectual Property Office on October 30, 1998, docketed as Application No. 4-1998-08057. The rest of the averments are DENIED for lack of knowledge or information sufficient to form a belief as to the truth thereof.

"4. The allegations in paragraphs 4 and 5 of the opposition are DENIED for lack of knowledge or information sufficient to form a belief as to the truth thereof.

"5. The allegations in paragraph 6 of the opposition regarding the filing of the application for the registration of the mark "ACTIV" by the Respondent-Applicant, including the date of filing, docket number and the goods covered by the application are ADMITTED. The allegation that Respondent's mark "ACTIV" is identical to Opposer's mark "ACTIVA" is DENIED not only for obvious lack of similarity between the two marks but also for the reasons stated in the Special and Affirmative Defenses. The allegations contained in paragraph 6 (b) is neither admitted nor denied for lack of knowledge or information sufficient to form a belief as to the truth or falsity thereof.

"6. The allegations in paragraph 7, 8, 9, 10 and 11 of the opposition are DENIED for being absurd, speculative, irrelevant and immaterial and completely without any legal and factual basis.

Special and affirmative defenses were likewise set forth, to wit:

"1. The registration of Respondent's mark will not prejudice the Opposer. The claim that Respondent's mark "ACTIV" is identical with Opposer's mark "ACTIVA" is totally without any factual and legal basis. In order to determine whether the mark sought to be registered is identical or confusingly similar to other marks, the inquiry should be directed to the mark sought to be registered, the goods named in the application, the entire commercial impression or representation of the mark and the goods on which it is used or for which it is registered. In the case at bench, it is too obvious that two marks are totally distinct from each other not only in spelling and number of letters but also in sound when pronounced.

More importantly, the goods upon which the mark "ACTIV" is used are "surfactant and additives" while the mark of the Opposer "ACTIVA" covers "enzyme, enzyme preparations and transglutaminase for industrial use, and enzyme, enzyme preparations and transglutaminase for use in cooking." Verily, the products covered by the two marks are primarily directed to different consumer groups and trade channels; hence, there is no way that the consumers will be confused in dealing with the products of the Respondent-Applicant and that of the Opposer. Every product has its own separate threshold for confusion of origin. Owners of motor vehicles will no doubt devote more attention not only in examining the products they will be using in the maintenance of their vehicles but more so in determining the manufacturer or source thereof.

Finally, a comparison of the labels actually used by Respondent-Applicant on its goods from that of the Opposer would readily reveal the apparent dissimilarity between the two marks. The two marks in their entirety as actually used in the market are clearly different and distinct from each other. Copies of the Respondent-Applicant's labels are hereto attached as Annexes "1-A" to "1-C".

"2. Opposer's claim that the goodwill it allegedly derived from the use of the mark "ACTIVA" would be prejudiced by the registration of the mark "ACTIV" is totally baseless, unfounded and a mere product of speculation and conjecture. As already pointed out, the two marks are distinct from each other in every respect such that the purchaser of the goods represented by the mark "ACTIV" were manufactured and sold by the Opposer.

Besides, the mark "ACTIVA" has not gained popular acceptance in this jurisdiction and consumers have not identified the mark as coming from or associated with the Opposer. And, even assuming for the sake of argument that the mark "ACTIVA" has been identified with the Opposer, still, Opposer cannot claim that the alleged goodwill derived from the use of the mark "ACTIVA" will have a spill over effect unto other mark such as "ACTIV" so that registration by other entities of said mark should be proscribed. Mere use by the Opposer of the mark "ACTIVA" is not sufficient to support its claim that other marks such as "ACTIV" must be denied registration in view of its alleged vested right to exclusively appropriate the mark "ACTIVA" to the exclusion of all other entities, regardless of the products covered.

"3. Respondent-Applicant's mark "ACTIV" was merely a coined word. It was applied for registration without any reference to the mark of the Opposer nor did Respondent-Applicant intend to ride on the unsubstantiated and unconfirmed claim of Opposer's popularity and general appearance.

"4. Opposer has no cause of action against Respondent-Applicant."

On February 4, 2004, the case was scheduled for Pre-Trial Conference but due to the urgent motion filed by Opposer, the same was cancelled and reset to March 3, 2004. On said hearing date, the parties presented their respective proposals for stipulation of facts and after the issues have been joined, the Pre-Trial Conference was finally terminated and thereafter trial on the merits ensued.

In support of the opposition, Opposer presented the affidavit of Junko Sano as its first witness but the same was subsequently stricken out from the records for failure of the Opposer to submit the answer of its foreign witness to Respondent-Applicant's cross interrogatories.

In the advent of Office Order No. 79, which took effect on September 1, 2005, this Bureau issued an Order directing the Opposer and Respondent-Applicant to inform this Bureau within fifteen (15) days from receipt of said Order whether or not they agree to be governed by the summary rules. However, despite receipt of the Order, the parties neither filed their compliance nor any motion relative thereto which as stated in the previous Order of this Bureau is construed as consent to be governed by the summary rules. Thus, in an Order dated 17 January 2006, the parties were directed to submit their respective evidences in compliance with Office Order No. 79.

Considering that no compliance or any motion has been filed by the parties relative to the filing of their respective evidences in compliance with Office Order No. 79 despite receipt of the Notice thereof, this Bureau issued another Order waiving the right of Opposer and Respondent-Applicant to submit their respective evidences in compliance with said Office Order No. 79.

With the said narration of facts, this Bureau believes that the main issue to be resolved in this case is:

Whether or not Respondent-Applicant's "ACTIV" mark is confusingly similar to Opposer's "ACTIVA" mark.

This Bureau rules in the negative.

It must be emphasized that in trademark cases in the Philippines, particularly in ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set rules can be deduced. Each case must be decided on its own merits. In trademark cases, even more than in any other litigation, precedent must be studied in the light of the facts of the particular case. The wisdom of the likelihood of confusion test lies in its recognition that each trademark infringement case presents its own unique set of facts. Indeed, the complexities attendant to an accurate assessment of likelihood of confusion require that the entire panoply of elements constituting the relevant factual landscape be comprehensively examined.

In the determination of whether or not the two trademarks are confusingly similar, the Supreme Court in several cases has consistently ruled that the test is not simply to take their words and compare the spelling and pronunciation of said words. Rather, it is to consider the two marks in their entirety, as they appear in the respective labels, in relation to the goods to which they are attached.

Guided by the foregoing tenets, it can be inferred that even the use of the same trademark on Opposer and Respondent-Applicant's goods will not automatically result to confusion as several factors like the target market of the goods, the entirety of the marks as appearing in their respective labels and the goods carried by the marks while not exclusively controlling have significant effect or consideration in the determination of confusing similarity. Indeed, the mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others on unrelated articles of a different kind.

Applying the same in the instant case, there is no doubt that the use of Respondent-Applicant of the mark "ACTIV" on its goods will not cause confusion to Opposer's "ACTIVA" mark on account of the manner of display in their respective labels including their spelling and pronunciation, the goods to which they are attached and the target market of the goods.

As to the manner of their display, including their spelling and pronunciation

Considering their spelling and pronunciation, there is no doubt that likelihood of confusion is not apparent in Opposer's "ACTIVA" mark and Respondent-Applicant's "ACTIV" mark. Obviously, Opposer's mark "ACTIVA" contains three syllables, i.e. AC-TI-VA and is pronounced differently from Respondent-applicant's "ACTIV" mark which has only two syllables, namely AC-TIV.

With respect to the representation of the mark as appearing in their respective labels, the two marks are totally distinguishable from each other as can be seen below:



Opposer's Mark



Respondent-Applicant's Mark

From the above representation, it will readily be shown that the manner by which the contending marks were printed in the labels is apparently dissimilar such that eth purchasers of Respondent-Applicant's goods will not confuse it as that coming from the Opposer.

As to the goods which the marks respectively carry

Ordinarily, the ownership of a trademark or trade name is a property right that the owner is entitled to protect as mandated by the Trademark Law. However, when a trademark is used by a party for a product in which the other party does not deal, the use of the same trademark on the latter's product cannot be validly objected to. More so, that the use of different marks on totally different and non-competing goods cannot be validly objected to by the other party.

In Trademarks Law, it is an established doctrine that in resolving issues of identical trademarks on products, emphasis should be given on the similarity of the products involved and not on the arbitrary classification or general description of their properties or characteristics. Thus, even if the competing marks carry goods falling under the same Class will not automatically create confusion as to their source or origin. As what have been said, emphasis should be on the similarity of the products taking into account their use and purpose.

In this case, there is no argument that the goods carried by both marks include goods falling under Classes 1 and 30 for Opposer and Class 2 for Respondent-Applicant. Undoubtedly, although the marks in dispute cover goods falling under Class 1, they are basically non-competing and are intended for different use or purpose.

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.

Opposer's "ACTIVA" mark falling under Class 1 includes the following goods, namely:

"Enzyme and enzyme preparation for use in industry and transglutaminase for use in industry"

For its Class 30, Opposer's mark carry the following goods, to wit:

"Enzyme and enzyme preparation and transglutaminase for use in cooking"

On the other hand, Respondent-Applicant's mark "ACTIV" likewise falling under Class 1 cover the following goods:

"Surfactants and additives"

As appearing in the label, Respondent-Applicant's mark "ACTIV" is used or intended for diesel enhancer while Opposer's "ACTIVA" mark is primarily used for cooking. Clearly, the goods are neither related nor competing to each other as the former is intended for vehicle while the latter is for cooking.

As to their target market

Even as to the target market of the respective marks, confusion as to origin or source is not apparent considering that the marks are primarily directed to different consumer groups and flow through the different channels of trade.

Basically, the target consumers of Respondent-Applicant's goods are the owners of motor vehicle who will no doubt devote more attention not only in examining the products they will buy considering the condition and maintainability of their vehicles but also the manufacturer or source thereof. On the other side of the spectrum, the Opposer's goods are primarily directed to ordinary purchasers, usually the household consumers. Finally, the goods of Opposer and Respondent-Applicant covered by the marks "ACTIVA" and "ACTIV", respectively, cannot be found on the same market or shelves of the store as Opposer's goods are ordinarily displayed in supermarkets or grocery stores unlike that of the Respondent-Applicant.

In summary, Opposer's assertion finds no support in law and jurisprudence. It failed to establish the existence of confusing similarity between its mark "ACTIVA" and that of Respondent-Applicant's "ACTIV" mark. At most, the criteria laid down in Section 123.1 (d) of Republic Act No. 8293 (otherwise known as the Intellectual Property Code of the Philippines), which is the law controlling in this case, was not satisfied which would preclude Respondent-Applicant from registering the mark "ACTIV", to wit:

"Sec. 123. *Registrability* – 123.1. A mark cannot be registered if it:

xxx

(d) Is identical with a registered mark belonging to a different proprietor or 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;

xxx"

WHEREFORE, premises considered, the instant Opposition is, as it is hereby, DENIED. Accordingly, application bearing Serial No. 4-2000-004434 for the trademark "ACTIV" filed on May 31, 2000 by Respondent-Applicant D & L INDUSTRIES, INC. is GIVEN DUE COURSE.

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

SO ORDERED.

Makati City, 14 February 2007.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office