

BINALOT FIESTA FOODS, INC.,
Opposer,
- versus -

IPC 14-2006-00007

Opposition to:
TM Application No. 4-2004-000100
(Filing Date)

JENNIFER ROBLES
Respondent-Applicant.

TM: "BALOT BALOT REPUBLIC MEALS
IN BANANA LEAVES"
Decision No. 2006 – 94

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DECISION

This Opposition is filed by Binalot Fiesta Foods, Inc. with Address at 3841 Daffodil Street, Sun Valley Subdivision, Parañaque City against Application Serial No. 4-2004-000100 for the registration of the mark "BALOT BALOT REPUBLIC MEALS IN BANANA LEAVES" filed on 1 January 2004 for use on restaurants falling under Class 43 in the name of Jennifer Robles.

Opposer filed based its opposition on the following grounds:

- "1. The dominant feature or part of Respondent's trade name BALOT BALOT REPUBLIC MEALS IN BANANA LEAVES is confusingly similar, it not outright identical to the dominant feature or part of Opposer's Corporate name BINALOT FIESTA FOODS, INC.
- "2. Respondent's trade name BALOT BALOT REPUBLIC IN BANANA LEAVES is confusingly similar, if not outright identical, to Opposer's registered trade name BINALOT & REPRESENTATION OF PINOY MEAL for use on catering services, formerly classified under Class 42, now Class 43, and Opposer's trademark BINALOT IN STYLIZED PRINT AGAINST BANANA LEAF REPRESENTATION OF BINALOT MASCOT for use on various food products, namely: fiesta adobo, vivo tocino, pork bongga longganisa, no bones daing na bangus, bistek walastik, tapa ra sarap, anytime inihaw na baboy, may dinuguan and only, bopistikated, tenderloin tips, adobo rice in Class 30, as well as Opposer's trade name BINALOT AND DEVICE for use on fast food chain stores, all of Opposer has been using long before January 1, 2004 when respondent filed her subject application.
3. The registration of the trade name BALOT BALOT REPUBLIC MEALS IN BANANA LEAF in favor of respondent-applicant is in violation of Section 123.1 (d) Section 147 of the Intellectual Property Code of the Philippines (IPCode), since Opposer has existing registrations for the trade name BINALOT & REPRESENTATION OF PINOY MEALS and the trademark BINALOT STYLIZED PRINT AGAINST A BANANA name BINALOT & REPRESENTATION OF PINOY MEAL and the trademark BINALOT IN STYLIZED PRINT AGAINST BANANA MASCOT, both of which are in full force and effect;
4. Respondent-Applicant filed Application Serial No. 4-2004-000100 fraudulently and in bad faith;
5. The registration of the trade name BALOT-BALOT REPUBLIC MEALS IN BANANA LEAVES in the name of Respondent-applicant will cause great and irreparable damage and injury to Opposer within the meaning of Section 134 of the IP Code;"

On the other hand, respondent-applicant specifically denied the allegations in the opposition raised the following affirmative allegations:

- 3.1 Respondent-Applicant has used, marketed and sold food products, specifically Chicken bopis, pork bistek, pork binagoongan, skinless longonisa, pork tocino, lechon paksiw, beef salpicao, pork sisig, boneless bangus, inihaw na baboy, pork BBQ, beef tapa, adobo and bulalo, under the trademark Balot Balot republic Meals in Banana Leaves since 2002.
- 3.2 But it must be stressed that Respondent-Applicant was engaged in the same line of business as early as 2000, although the same was limited to a modest establishment in Quezon City.
- 3.3 However, Respondent-Applicant decided to expand and formalize its entry into food retail business sometime in 2002 when an offer came from the Alabang Town Center for them to open and operate in one of the latter's food outlets. Because of the said offer from Alabang Town Center, Respondent-Applicant had everything formalized by having her company registered with the Securities and Exchange Commission, as well as with the local government and the Bureau of Internal Revenue (attached herewith as proof thereof is Balot Balot Republic's Certificate of Incorporation, Certificate of Registration with the Bureau of Internal Revenue, Certification from the Department of Trade and Industry and Mayor's Permit, marked as Exhibits "1", "2", "3", "4", respectively).
- 3.5 I can be clearly seen therefore, that whatever goodwill Respondent-Applicant is enjoying at the moment were all attained through her own efforts and hard work. The fact that respondent-Applicant was already in the business of selling food products under the name and mark Balot Balot Republic, and even went through the tedious process of organizing her company and applying for the required governmental permit for purposes of formal operation belies Opposer's insinuation that the former was able to establish her goodwill and business name by imitating the latter's trademark and trade name.
- 3.6 In contrast, Opposer merely claims and assumes that it is likely to be damaged and prejudiced by the approval of Respondent-Applicant's application. Far from being an imitation of Opposer's mark, Balot Balot Republic Meals in Banana Leaves was coined by Respondent-Applicant specifically for use on her own line of food products. To be sure, the word "Balot Balot", unlike Opposer's "Binalot" does not derive its meaning from any word found in the dictionary nor commonly used in any language or vernacular further suggesting that the said word was thought about and coined by respondent-Applicant without intending to imitate Opposer's trade name and trademark.
- 3.7 Neither is the ruling in the case of Del Monte Corporation vs. Court of Appeals (410 SCRA 419-420), applicable in the instant case. A comparison of the mark sought to be registered by Respondent-Applicant and that of Opposer's would readily show that there are glaring differences rather than similarities between the two trademarks.
- 3.8 It must be noted that Respondent-Applicant's trademark actually consists of several words with the words Balot Balot Republic as the most noticeable feature, unlike Opposer's trademark which only depicts the solitary word Binalot. Moreover, even the backgrounds of the two marks are distinct and different from one another. While the words Balot Balot republic are simply encased in a circular or oval sphere, Opposer's trade name is set amid a leaf background. Neither are the prints, slant or font of the letters similar. These striking differences are enough to negate Opposer's assertion that Respondent-Applicant's trademark is confusingly similar and is likely to damage or prejudice the Opposer.

- 3.9 Opposer's claim that the public has associated the trade names Binalot & Representation of Pinoy Meal and Binalot and Device and the trade mark Binalot in Stylized Print Against A Banana Leaf and Representation of Binalot Mascot with the food services and food services and food products of Opposer is clearly self-serving.
- 3.10 The fact that Respondent-Applicant's application was allowed for publication only proves that the trademark applied for passed the standards set forth by law.
- 3.11 After all, Opposer should not be allowed to claim exclusive use over the word "binalot" as the same is a generic term and descriptive of the product. Notwithstanding its alleged registration, Opposer cannot claim exclusivity over the word "Binalot" considering that the same is generic and is actually descriptive of the product sold. Seeking to prohibit Respondent-Applicant's use and registration of her mark, if allowed word which may not even be remotely associated with Respondent-Applicant's mark would be manifestly unfair to the letter.
- 3.12 Respondent-Applicant clearly has a right to use and register the mark Balot Balot Republic Meals in Banana Leaves. Indeed, there can be no confusion or damage or prejudice to Opposer should Balot Balot Republic Meals in Banana Leaves be registered in the name of Respondent-Applicant.

Petitioner's evidence consists of the following documentary evidence:

Exhibit	Description
"A"	Certified true copy of the Certificate of Incorporation and Articles of incorporation of BINALOT FIESTA FOODS, INC.
"B"	Certified true copy of Certificate of Registration No. 4-1996-108867 issued on May 30, 2003 in favor of Opposer for the trade name BINALOT & REPRESENTATION OF PINOY MEAL.
"C"	Certified true copy of Certificate of Registration No. 4-2003-009928 issued on October 24, 2005 in favor of Opposer for the trademark BINALOT IN STYLIZED PRINT AGAINST A BANANA LEAF AND REPRESENTATION OF BINALOT MASCOT.
"D"	Certified true copy of Trademark Application Serial No. 4-2005-001022 filed on February 2, 2005 by Opposer for the trademark BINALOT AND DEVICE.
"E"	Certified true copies of the Certificate of registration issued to Opposer by the Bureau of Internal Revenue on May 22, 1996; Mayors Permit issued on May 21, 1996 by the Mayor of Mandaluyong City; and Special Bank Receipts of Premium payment to SSS.
"F"	Lease Contract with Ayala Land Corp. for the first BINALOT outlet opened in Greenbelt Park, Ayala Center, Makati City.
"G"	A representative sample of a Franchise Agreement of a BINALOT outlet.
"H"	Representative commercial documents such as check vouchers, sales invoices, purchase orders of Opposer BINALOT fiesta Foods, Inc.

- “I” BINALOT labels.
- “J” BINALOT wrappers.
- “K” Duly notarized affidavit of Rommel T. Juan, President of BINALOT Fiesta Foods, Inc.

Respondent's evidence consist of the following:

Exhibit	Description
“1”	Certified True Copy of the Certificate of Incorporation of Balot Balot Republic, Inc., dated 10 September 2002.
“2”	Certified True Copy of the Certificate of Incorporation of Balot Balot Republic, Inc., issued by the Bureau of Internal Revenue.
“3”	Certified True Copy of Certification issued by the department of Trade and Industry (DTI) dated 5 November 2004.
“4”	Certified True Copy of Balot Balot Republic's Business License and Mayor's Permit issued by the City Government of Muntinlupa.
“5”	Certified True Copy of the Certificate of Incorporation of Balot Balot Republic Cubao, Inc., dated 2 January 2004.
“6”	Certified True Copy of the Certificate of Registration of Balot Balot Republic Cubao, Inc., issued by the Bureau of Internal Revenue dated 1 January 2004.
“7”	Certified True Copy of the Certificate of the Certification issued by the Department of Trade and Industry (DTI) in favor of Balot Balot Republic Cubao, Inc., dated 13 May 2004.
“8”	Certified True Copy of the Certificate of Balot Balot Republic Cubao, Inc., Business Permit issued by the City Government of Quezon City.
“9”	Certified True Copy of the Certificate of Incorporation of Balot Balot Republic Megamall, Inc., dated 4 February 2004.
“10”	Certified True Copy of the Certificate of Registration of Balot Balot Republic Megamall Inc., issued by the Bureau of Internal Revenue dated 9 February 2004.
“11”	Certified True Copy of Balot Balot Republic Megamall, Inc., and Mayor's Permit issued by the City of Mandaluyong.
“12”	Sample Flyer of Balot Balot Republic Meals in Banana Leaves.
“13”	Sample wrapper of Balot Balot Republic Meals in Banana Leaves.
“14”	Notarized Affidavit of Respondent-Applicant Jennifer A. Robles.

There is no hard and fast rule in determining confusing similarity. Each case is determined based on its own peculiar set of facts. The Supreme Court in *Societe des Produits Nestle v. Court of Appeals*, G.R. No. 112012, explains:

“It must be emphasized that in infringement or in trademark cases in the Philippines, particularly in ascertaining whether one trademark is confusingly similar to is a colorable of another, no set of rules can be deduced. Each case must be decided on its merits. (*Emerald Garment Manufacturing Corporation v. Court of Appeals*, 251 SCRA 600) In *Esso Standard, Inc. v. Court of Appeals* (116 SCRA 336), we ruled that the likelihood of confusion is a relative concept; to be determined only according to the particular, and sometimes peculiar, circumstances of each case. In trademark cases, even more than in any 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. (*Thompson Medical Co. v. Pfizer, Inc.*, 735F. 2d 208, 225 USPQ 124) 2d Cir. 1985”.

The challenged application having been filed under the provision of the new Intellectual Property Code, Republic Act 8293, the instant case shall be decided based on the provision thereof.

Opposer contends that the respondent’s mark BALOT BALOT REPUBLIC IN BANANA LEAVES is confusingly similar to its registered marks “BINALOT & REPRESENTATION OF PINOY MEAL” (Exhibit “B”) and “BINALOT IN STYLIZED PRINT AGAINST A BANANA LEAF AND REPRESENTATION OF BINALOT MASCOT”. (Exhibit “C”) The Bureau agrees with the opposer’s contention. The dominant word and the over-all commercial impression generated by the marks of the parties are confusingly similar. The applicable provision of Republic Act 8293 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”

The law provides that a mark cannot be registered if the same resembles a previously registered mark such that their contemporaneous use will cause deception and confusion.

Both registered marks of the opposer and the mark being applied for are reproduced below for easy reference.

The dominant word in opposer’s marks which is “BINALOT” is confusingly similar to the dominant word “BALOT BALOT” in respondent-applicant’s application for the mark “BALOT BALOT REPUBLIC MEALS IN BANANA LEAVES”. Both words signify “wrapped” which is descriptive of how the food being sold by the parties are presented or prepared. Opposer’s trade name/ service mark “BINALOT & REPRESENTATION OF A PINOY MEAL (Exhibit “B”) was registered under Certificate of Registration No. 4-1996-108867 in 30 May 2003 under Class 42, catering services. Opposer has also has in its favor Certificate of Registration No. 4-2003-009228 issued in 24 October 2005 for the trademark “BINALOT IN STYLIZED PRINT AGAINST A BANANA LEAF REPRESENTATION OF A MASCOT “for goods under Class 30 which are various products namely: fiesta adobo, vivo tocino, pork bongga longganisa, no bones daing na

bangus, bistek walastik, tapa ra sarap, anytime inihaw na baboy, may dinuguan and only, bopistikated, tenderloin tips, adobo rice. (Exhibit "C")

In applying the dominancy standard test, the Supreme Court in *Mc Donald's Corporation v. L.C. Big Mak Burger, Inc.* G.R. No. 143993, dated 18 August 2004 held:

"In determining likelihood of confusion, jurisprudence has developed two tests, the dominancy test and the holistic test. The dominancy test focuses on the similarity of the prevalent features of the competing trademarks that might cause confusion. In contrast, the holistic test requires the court to consider the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. xx x

The test of dominancy is no explicit incorporated into law in Section 155.1 of the Intellectual Property Code which defines infringement as the "colorable imitation of a registered mark x x x or a dominant feature thereof."

Applying the dominancy test, the Court finds that respondent's use of the "Big Mak" marks results in likelihood of confusion. First, "Big Mak" sounds exactly the same as the "Big Mac". Second, the first word in "Big Mak" is exactly the same as the first word in "Big Mac". Third, the first two letters in "Mak" are the same as the first two letters in "Mac". Fourth, the last letter in "Mak" while a "K" sounds as "C" in spelling, thus "Caloocan" is spelled "Kalookan". (Underscoring supplied)

Likewise in the case of *American Wire & Cable Co. vs. Director of Patents*, 31 SCRA 544, the Supreme Court held:

"The question is, when is a trademark likely to confuse or to cause the public to mistake one for another. Earlier rulings of the Court seem to indicate its reliance on the dominancy test or the assessment of the essential or dominant features in the competing labels to determine whether they are confusingly similar. x x x

In fact, even their similarity in sound is taken into consideration, where the marks, refer to merchandise of the same descriptive properties, for the reason that trade idem sonans constitutes violation of trade mark patents.

Applying the above precepts to the instant case, considering the identity of catering services of the opposer and restaurant services of the respondent-applicant under Class 43 to which the marks are applied and the similarity of foods or menu served at the restaurants of respondent-applicant as seen from her flyers (Exhibit "12") and the opposer's sample flyer (Exhibit F-1), sample wrapper (Exhibit "J"), the word "BALOT" and "BINALOT" are confusingly similar to each other. It does not matter that opposer's by the words "BALOT" and "BINALOT" are almost identical. In fact, both marks signify that the food being prepared or presented by opposer and respondent are "wrapped". Moreover, an examination of the mark respondent-applicant reveals that the word "REPUBLIC" is not a prominent as the words "BALOT-BALOT". Further still, the words "MEALS IN BANANA LEAVES" are in much smaller script and hardly noticeable in comparison with the more dominant portion of her mark which is "BALOT-BALOT".

Opposer also argues that although its mark is a descriptive term, the same may be appropriated as provided under the law, Section 123.2 of Republic Act 8293 provides:

"Section 123.2 As regards signs or devices mentioned in paragraph (j), (k), and (1), nothing shall prevent the registration of any such sign or device which has become distinctive in relation to the goods for which registration is requested as a result of the use that have been made of it in commerce in the Philippines. The Office may accept as prima facie evidence that the mark has become distinctive, as used in connection with the applicant's goods or services in commerce, proof of substantially exclusive and continuous use thereof by the applicant in

commerce in the Philippines for five (5) years before the date on which the claim for distinctiveness is made.

One test of descriptiveness is whether the word as used conveys the characteristics, functions or qualities of a product to one who has never seen it and does not know what it is. *Stix Products, Inc. v. United Merchants & Mfrs.*, (1961, DC NY) 295 F Supp 479.) Unless a term gives some reasonable accurate or tolerably distinct defines “descriptive”. (*Blisscraft of Hollywood v. United Plastics Co.* (1961, CA2) 294 F2d 694.) (Trademarks and Unfair Competition by Thomas McCarthy Volume 1, 1973, p. 336. Assuming that the marks opposer’s mark is descriptive, the mark may still be registered under the provision of Section 123.2 as it the evidence shows that the opposer has used the marks continuously in commerce for more than five years.

The Supreme Court of North Carolina gave an excellent capsule definition of secondary meaning in the context of descriptive terms:

When a particular business has used words public juris for so long or so exclusively or when it has promoted its product to such an extent that the words do not register their literal meaning on the public mind but are instantly associated with one enterprise, such words have attained a secondary meaning. That is to say, a secondary meaning exist when in addition to their literal or dictionary meaning, words connote to the public a product from a unique source. (*Charcoal Steak House, Inc. v. Staley* (1964) 263 NC 199, 139 SE2d 185) (Trademarks and Unfair Competition by Thomas McCarthy Volume I, 1973, p. 363.)

Turning to the evidence, opposer showed that is has used the marks “BINALOT & REPRESENTATION OF A PINOY MEAL” since 8 March 1996 (Exhibit “B”) as seen from its application while “BINALOT IN STYLIZED PRINT AGAINST A BANANA LEAF AND REPRESENTATION OF A MASCOT” was based on in 28 October 2003 (Exhibit “C”). The use antedates respondent’s application which was filed only in 1 January 2004. This Bureau notes that respondent’s Certificate of Incorporation was issued by the Securities and Exchange Commission only 10 its declaration of actual use (Exhibit “B”), contract of lease (Exhibit “F”), Franchise Agreement (Exhibit “G”) and its numerous vouchers and receipts bearing its mark (Exhibits “H”- submarkings.) These indicate that opposer’s mark has required distinctiveness and goodwill and therefore the registration of respondent’s applicant’s mark which nearly resembles Opposers registered trade name and trademark is proscribed under Section 123.1 (D) of the IP Code.

WHREFORE, premises considered the OPPOSITION filed by BINALOT FIESTA FOODS, INC. is hereby SUSTAINED. Accordingly, Application Serial No. 4-2004-000100 filed by Respondent-Applicant, Jennifer Robles on 1 January 2004 for the mark “BALOT-BALOT REPUBLIC MEALS IN BANANA LEAVES” used on restaurant under Class 43 is as it is hereby REJECTED.

Let the filewrapper of “BALOT-BALOT REPUBLIC MEALS IN BANANA LEAVES”, subject matter of this case be forwarded to the Bureau of Trademarks (BOT) for appropriate action in accordance with this Decision.

SO ORDERED.

Makati City, 27 September 2006.

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