

CFC CORPORATION,	)	INTER PARTES CASE NO. 3299
Petitioner,	)	
	)	PETITION FOR CANCELLATION:
	)	
	)	Cert. of Regn. No. 33311
	)	Issued : May 29, 1984
	)	Registrant : Societe Des
	)	Produits
	)	Nestle, S.A.
	)	Trademark : GOLD
- versus -	)	Used on : Coffee and
	)	coffee extracts
	)	
	)	<u>DECISION NO. 92-8 (TM)</u>
SOCIETE DES PRODUITS	)	
NESTLE, S.A.	)	April 7, 1992
Respondent.	)	
x-----x	)	

DECISION

This is a Petition for Cancellation of the trademark GOLD under Registration No. 33311 issued on 29 May 1984 in the name of the Respondent-Registrant Nestle Food Products.

On 08 November 1988, Petitioner filed a Cancellation proceeding praying of this Office that the marks GOLD (Regn No. 33311 issued on 29 May 1989), GOLD BLEND (Regn No. 31515 issued on 24 January 1983) and GOLD CUP (Regn No. 33315 issued on 29 May 1984) all of which were issued in the name of the Respondent-Registrant be cancelled and henceforth be enjoyed from using the same in their goods.

On 04 September 1989, this Office issued Resolution No. 89-26 granting Petitioner's Motion to Admit Amended Petition dated 06 March 1989 for the purpose of separating the issues of the three (3) aforesaid trademarks sought to be cancelled into three (3) separate Petitions. Hence, this Decision shall only resolve the merits of the Petition to Cancel the trademark "GOLD".

In its Original and amended Petitions, Petitioner CFC Corporation alleged that it is a corporation duly organized and constituted under the laws of the Philippines with principal Office located at CFC Building, Bagong Ilog, Pasig, Metro Manila. Further, it alleged that:

"Petitioner is a corporation duly organized and constituted under the laws of the Philippines, with principal office located at CFC Building, Bagong Ilog, Pasig, Metro Manila, while respondent is represented by its duly authorized local representative, Nestle Philippines, Inc., with principal office located at 335 Sen. Gil J. Puyat Avenue, Makati, Metro Manila;

Petitioner is the owner and rightful proprietor of the following trademark:

Registration No. 30032

Date Registered	:	October 14, 1981
Mark	:	BLEND 45
Serial No.	:	30675
Date Filed	:	July 9, 1976
Applicant	:	CFC Corporation
Address	:	CFC Building
		Bagong Ilog, Pasig,

Goods : Metro Manila  
Coffee

(A copy of the Certificate of Registration for the above trademark is attached hereto Annex "B". Likewise, four (4) labels showing the trademark as actually used in trade by petitioner are attached hereto as Annex "C".)

Since January 10, 1962, petitioner has continuously used the "BLEND 45" trademark to identify its goods and to distinguish it from those made and sold by others by, among others, prominently displaying the mark on its containers and cartons as well as through various types of advertising materials;

On May 29, 1984, Respondent succeeded in registering the trademark "GOLD" although the above trademark cannot be registered for being generically descriptive, as prescribed in Sec 4(e), R.A. 166 and, therefore may not vest exclusivity of use to the respondent;

Although respondent has registered the above-mentioned trademark, and has represented that it has been manufacturing and selling its products containing the said trademark for sometime already, the truth is that it has actually manufactured and sold its products only after petitioner has manufactured and sold its own products bearing the trademark "BLEND 45";

The registration of the "GOLD" trademark in the name of respondent and the continued use thereof by the latter, coupled with the latter's continued manufacture and/or sale of goods bearing the above trademark, have resulted not only in confusion as to the source and origin of respondent's goods, and the continued use thereof will aggravate the confusion to the prejudice in the reputation and goodwill established by petitioner through all these years, but will also maintain in the records of this Honorable Commission a trademark not actually registrable."

In its Answer to the Amended Petition for Cancellation, Respondent-Registrant alleged that the mark "GOLD" was examined and found to be registrable by this Office in accordance with law; Respondent's trademark GOLD does not resemble Petitioner's Blend 45 and therefore any likelihood of confusion is far fetched if not nil; nor is it generically descriptive and Petitioner's inaction to oppose Respondent-Applicant's application eight (8) years after said application was published for Opposition in the Official Gazette constitute laches or estoppel.

In its reply filed on 13 October 1989, Petitioner averred that it is not assailing the procedure taken by Respondent in successfully registering the trademark in question. It however, alleged that what it is questioning was the fact that the disputed trademark was never actually in the market prior to its application and should not have been registered in the first place.

In its rejoinder to Reply filed on 20 October 1989, Respondent-Registrant alleged that Certificate of Registration No. 33311 the object of this Cancellation proceeding shows that the mark "GOLD" was used by Nestle Food Products since 30 April 1982.

The basic issues of this case could be summarized as follows:

1. Is the mark "Blend 45" confusingly similar with "GOLD"?
2. Can the Copyright Registration of "Blend 45 GOLD" issued in the name of the Petitioner be considered a ground to cancel the trademark registration of the mark "GOLD" in the name of the Respondent?
3. Is the mark "GOLD" descriptive?

To the first issue, this Office cannot find that there is no confusing similarity between the marks "GOLD" and "Blend 45". The spelling, pronunciation and style to manner or presentation are totally different between the two marks.

Even the witness presented by the Petitioner in the person of Mr. Bernardo Berida stated that "GOLD" could not be mistaken for "Blend 45", quoting p. 39 of TSN, January 24, 1990:

Q: Now tell me Mr. Berida, could the Respondent's trademark "GOLD" be mistaken for Blend 45?

A: Prior to –

Atty. Manahan:

Please answer me Mr. Berida because this is a follow-up question Mr. Berida, if you want to have the question repeated we will repeat the question. What is the answer?

A: No

The resolution of the Second issue refers to the proper interpretation of Section 2-A of the Trademark Law which provides:

*SEC. 2-A. Ownership of trademarks, tradenames and service-marks how acquired.* - - Anyone who lawfully produces or deals in merchandise of any kind or who engages in any lawful business, or who renders any lawful service in commerce, by actual use thereof in manufacture or trade, in business, and in the service rendered, may appropriate to his exclusive use a trade-mark, a trade-name, or a service-mark not so appropriated by another, to distinguish his merchandise, business or service from the merchandise, business or service of others. The ownership or possession of a trade-mark, trade-name, service-mark, heretofore or hereafter appropriated, as in this section provided, shall be recognized and protected in the same manner and to the same extent as are other property rights known to the law. (As amended by R.A. No. 638.)

The aforementioned provision of law recognizes the fact that the trademark registrant is entitled to guard his goods or business from actual market competition with identical or similar marks adopted by a junior appropriation which is likely to lead to a confusion of source or origin. It is very evident therefore, that the right to register a trademark is based on prior ownership and adoption of the said mark (please see *UNNO Commercial vs. General Milling*, 120 SCRA 804). It is therefore incumbent for the herein Petitioner to show, as it has tried throughout the proceedings of this case, to show prior use and adoption of the mark "GOLD" in order for this Office to cancel the trademark registration "GOLD" in the name of the Respondent-Registrant.

However the evidence on record reveals that it is the Respondent-Registrant who has the prior use and adoption of the mark GOLD. Through Exhibits "12" to "12-L", it has shown that it has adopted the mark "GOLD" since 1982. On the other hand, the copyright registration in the name of the Petitioner (Exhibit "D") alleging use of the mark GOLD evidently shows that the Petitioner has first adopted the mark in question only on 01 February 1985, or about three (3) years more or less later than that of the Respondent-registrant.

In the light of the foregoing facts, the second issue is hereby resolved in the **NEGATIVE**.

Regarding the third issue, the test of descriptiveness has been laid down in *Ex-Parte Eagle Pencil*, B.C. Serial No. 1729, 45 O.G. 1955 when it was held that if the mark directs the mind of the public to the quality or characteristics of the goods with which it is used, it is clearly

descriptive and not registrable; but on the other hand, it can have no other function than to direct to the mind of the public to the author or owner of the goods with which it is used, it constitutes a valid trademark and is registrable.

The petitioner in this case never presented evidence to show why the mark "GOLD" is descriptive of coffee and coffee by-products. Nor could this Office find reasonable belief to say that "GOLD" is a description of coffee products in order to reverse its former position that GOLD, with respect to coffee products, is not descriptive and hence registrable.

The classic examples of descriptive marks are the following:

1. STARBITE – applied to metal polish  
(In Re Chas. R. Long 280 F. 975)
2. SAFE T. SEAL – applied to envelopes  
(In Re Alva Bushnell 261 F 1013)

Consequently, the mark "GOLD" in connection with coffee products is hereby reiterated to be a valid and registrable trademark.

WHEREFORE, premises considered, this Petition for Cancellation is hereby DENIED.

SO ORDERED.

IGNACIO S. SAPALO  
Director