

STIEFEL LABORATORIES, INC.,
Opposer,

Inter Partes Case No. 14-2009-00153

-versus-

Opposition to:

Appln. Serial No.: 04-2008-014741
Date Filed: 05 December 2008
Trademark: "STEVIA"

BRAINTREE TRI-MEDIA
CORPORATION,
Respondent-Applicant.

x-----x

Decision No. 2011-05

DECISION

STIEFEL LABORATORIES, INC., ("Opposer"), a corporation duly organized and existing under the laws of the United States of America, with business address at 255 Alhambra Circle, Coral Gables, Florida 33134, United States of America, filed on 15 June 009 an opposition to Trademark Application Serial No. 4-2008-O14741.¹ The application, filed by BRAINTREE TRI-MEDIA CORPORATION ("Respondent-Applicant"), located at KLG Building, Del Bros Avenue corner V. De Leon Street. Barrio Ibayo, Paranaque City, covers the mark "STEVIA" for use on "dietary food supplement, food supplement namely anti-oxidant, mineral food supplement" and "natural sweetener" failing under Classes 5 and 30 of the International Classification of goods.²

The Opposer alleges the following:

1. The registration of the mark STEVIA is prohibited under Section 123 (d), (e) and (f) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, which states:

x x x

2. The Opposer is the owner of the mark STIEVA-A which was filed with the Intellectual Property Office on 4 March 1993 under Application No. 84715 for goods under Class 5. The said mark was registered on 10 January 1995 under Registration No. 59711.
3. The Respondent-Applicant's mark is confusingly similar to the Opposer's STIEVA-A mark as to be likely to deceive or cause confusion. This is apparent from both a visual and an aural comparison of both marks:

It is evident that Respondent-Applicant's 'STEVIA' mark is very similar to and nearly resembles Opposer's 'STIEVA-A' mark, both visually and phonetically. The uncanny resemblance between the said marks will inevitably deceived and cause confusion among Consumers.

Hence, the registration of the Respondent-Applicant's mark will be contrary to Section 123.1(d) of Republic Act No. 8293.

4. In the case of *Societe des Produits Nestle vs. Court of Appeals, et. al.*, G.R No. 112012 (04 April 2001), it was held that confusing similarity is to be determined on the basis of visual, aural, connotative comparisons and overall impressions engendered by the marks in controversy as they are encountered in the realities of the market place.
5. Apart from visual similarity, the Supreme Court, as in the case of *Marvex Commercial Co., Inc., v. Petra Hawpia & Co.*, G.R. No. L-19297 (22 December 1966), also uses the *idem sonans* test in determining the presence or likelihood of confusion As clearly

seen, the contending marks both have the first two letters 'ST and both also contain the syllable 'VA'.

More so, Respondent-Applicant's mark STEVIA is but a play of the letters of Opposer's mark STIEVA-A. The letter 'I' in the syllable 'STIE' was transferred to the next syllable 'VA' to form the word STEVIA. STIEVA-A and STEVIA are visually and phonetically very similar. The two marks are not distinguishable.

6. Further increasing the likelihood of confusion is the fact that the contending marks not only covers goods under the same Class, i.e. Class 5, but also closely related goods/services, i.e. dermatological preparation for the treatment of acne for the Opposer and dietary food supplement, foods supplement namely anti-oxidant, mineral food supplement for the Respondent-Applicant.

In the case of ESSO Standard Eastern, Inc. vs. Court of Appeals, et. al. G.R. No. L29971 (31 August 1982), it was held that:

'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.'
(underscoring supplied)

7. The Opposer is entitled to benefits granted to foreign nationals under Section of Republic Act No. 8293, which provides:

x x x

The Opposer is domiciled in the U.S.A. Both the Philippines and U.S.A are members of the Paris Convention for the Protection of Industrial Property. The Paris Convention provides:

Article 6bis

Marks: Well-Known Marks

(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. x x x'

Article 10bis

(1) The countries of the Union are bound to assure nationals of such countries effective protection against unfair competition.

8. The Opposer's STIEVA-A mark is a well-known and world famous mark. Hence, the registration of the Respondent-Applicant's STEVIA mark will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Section 3, 123.1 (e) and 123.1(f) of Republic Act No. 8293.
9. The Opposer has used the STIEVA-A mark in the Philippines and in numerous other countries prior to the filing date of the application subject of this Opposition. The

Opposer continuous to use the STIEVA-A mark in the Philippines and in over sixty other countries.

10. The Opposer has also extensively promoted the STIEVA-A mark worldwide. Over the years, Opposer has obtained significant exposure for the goods upon which the STIEVA-A mark is used in various media, including television commercials, outdoor advertisements, internationally well-known print publications, and other promotional events.
11. The Opposer has not consented to the Respondent—Applicant’s use and registration of the STEVIA mark or any other mark identical or similar to Opposer’s STIEVA-A mark.
12. The use by the Respondent-Applicant of the mark subject of this Opposition in connection with dietary food supplement., food supplement namely anti-oxidant, mineral food supplement: natural sweetener and related goods will mislead the purchasing public into believing that the Respondent-Applicant’s goods are produced by, originated from, or are under the sponsorship of the Opposer.
13. The use by Respondent—Applicant of the mark subject of this Opposition in relation to its goods, whether or not identical, similar or closely related to the Opposer’s STIEVA—A mark.
14. All said, the registration of the mark STEVIA in the name of Respondent—Applicant will cause incalculable damage to the Opposer’s reputation and general business standing. in view of Opposer’s prior use, registrations and applications for its STIEVA—A mark, Respondent—Applicant’s Trademark Application No. 4—2008-014741 for the registration of the mark STEVIA, which is confusingly similar to, and is based on the same goods as Opposer’s STIEVA-A mark, should not be allowed to proceed to registration.

The Opposer’s evidence consists of the following:

1. Exhibit (“Exh.”) “A”- Verified Opposition;
2. Exh. “B”- Legalized Verification and Certification
3. Exh. “C”- Legalized Secretary Certificate authorizing Devin G. Buckley, the Senior Vice President and General Counsel for Stiefel Laboratories, Inc., to issue a Power of Attorney (“SPA”);
4. Exh. “D”- Legalized SPA Ortega, Del Castillo, Bacorro, Odulio, Calma & Carbonell as attorney-in-fact of Gado S.a.r.l.;
5. Exh. “E”- Legalized Affidavit of Devin G. Buckley;
6. Exh. “F”- Cert. of Reg. No. 59711 from Philippines for STIEVA-A;
7. Exh. “G”- Certified copy of Cert. of Reg. No. 1770705 from Argentina for STIEVAA;
8. Exh. “H” - Certified copy of Cert. of Reg. No. 007.178.093 from Brazil for STIEVAA;
9. Exh. “I” - Certified copy of Cert. of Reg. No. 554.889 from Chile for STIEVAA;
10. Exh. “J” - Certified copy of Cert. of Reg. No. 24990/2003 from Mexico for STIEVAA;
11. Exh. “K” - Certified copy of Cert. of Reg. No. 8156 from Peru for STIEVAA;
12. Exh. “L” - Certified copy of Cert. of Reg. No. 247221 from Portugal for STIEVAA;
13. Exh. “M”- Certified copy of Trade Marks Registry Renewal Cert. No. 994606 from United Kingdom for STIEVAA;
14. Exh. “N” - Certified copy of Cert. of Reg. No. 17513-1998 from Venezuela for STIEVAA;

15. Exh. "O" - Certified copy of Cert. of Reg. No. 590369 from Australia for STIEVAA;
16. Exh. "P" - Certified copy of Cert. of Reg. No. 262125 from Colombia for STIEVA-A;
17. Exh. "Q" - Certified copy of Cert. of Reg. No. 86533 from Costa Rica for STIEVA-A;
18. Exh. "W" - Certified copy of Cert. of Reg. No. 0113847 from Dominican Republic for STIEVA-A;
19. Exh. "S" - Certified copy of Cert. of Reg. No. 79982/311/171 from Guatemala for STIEVA-A;
20. Exh. "T" - Certified copy of Cert. of Reg. No. 59739 from Honduras for STIEVA-A;
21. Exh. "U" - Certified copy of Cert. of Reg. No. 35 185cc from Nicaragua for STIEVAA;
22. Exh. "V" - Certified copy of Cert. of Reg. No. 256525 from Paraguay for STIEVA-A;
23. Exh. "W" - Certified copy of Cert. of Reg. No. 0612459 from Korea for STIEVA-A;
24. Exh. "X" - Invoices in the Philippines for STIEVA-A; and
25. Exh. "Y" - Advertisements worldwide for STIEVA-A.

On 18 January 2010, the Respondent-Applicant filed its Verified Answer wherein it denied all the material allegations in the opposition. According to the Respondent-Applicant, its mark is not confusingly similar to the Opposer's because the marks do not look and sound alike. It contends that the public would not be confused considering that the goods covered by the mark STEVIA are not related to the Opposer's goods. The Respondent-Applicant also points out that the Opposer failed to substantiate that the mark STIEVA-A is a well known mark.

The Respondent-Applicant submitted the following as evidence:

1. Exhibit "1" - Cert. of Reg. No. 4—2008-014741 for the mark STEViA issued on March 16, 2009;
2. Exhibit "2" - Order No. 2009-899 issued by the Bureau of Legal Affairs of the Intellectual Property Office of the Philippines (IPP), dated 22 May 2009, giving Opposer thirty (30) days or until 14 April 2009 within which to file its verified notice of opposition;
3. Exhibit "3" - Order No. 2009-900;
4. Exhibit "4" - Order No. 2009-901;
5. Exhibit "5" - Manifestation filed by Respondent-Applicant dated 18 June 2009;
6. Exhibit "6" - Trade Marks Search; and
7. Exhibit "7" - Stiefel Laboratories, Inc. products.

The issues to be resolved in this case are:

1. Whether the Opposer's marks STIEVA-A is well-known marks, and
2. Whether the Respondent-Applicant should be allowed to register the mark STIEVA.

On the first issue, Rule 102 of the Trademark Regulations, provides:

Rule 102. Criteria for determining whether a mark is well-known. In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- (a) the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;

- (b) the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- (c) the degree of the inherent or acquired distinction of the mark;
- (d) the quality-image or reputation acquired by the mark;
- (e) the extent to which the mark has been registered in the world;
- (f) the exclusivity of registration attained by the mark in the world;
- (g) the extent to which the mark has been used in the world;
- (h) the exclusivity of use attained by the mark in the world;
- (i) the commercial value attributed to the mark in the world;
- (g) the record of successful protection of the rights in the mark;
- (k) the outcome of litigations dealing with the issue of whether the mark is a well—known mark; and
- (l) the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well—known mark.

The rule requires that the party claiming a mark to be well-known satisfies at least a combination of the above stated criteria. But while the Opposer submitted certificates of registration in languages other than English, these documents, however, do not show the extent of the registration of the mark in the world.’ Likewise, as regards advertising and promotion, the Opposer submitted only copies of’ supposed representative samples of its product catalogs and advertisements, which are not supported by other evidence to show that these materials have been widely circulated worldwide.

This Bureau also noticed that the document marked as Exhibit “M” does not even indicate the mark supposedly covered by the same, and the one marked as Exhibit “O” is a mere “faxed” copy, which indicates a registration that already expired in 16 November 2009.

Going now to the second issue, it is emphasized that the fundamental principle and legal basis of trademark registration is that the owner of the mark has the right to register it. The essence of trademark registration is to give protection to the owner of the trademark. The function of a trademark is to point out distinctly the origin or ownership of the article to which it is affixed, to secure to him,, who has been instrumental in bringing into a 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 products.⁵ Thus, Section 123.1 (d) of the IP Code, states that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services, or closely related goods or services, or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Applicant filed its trademark application I / in 2008, the Opposer has an existing trademark registration (Cert. of Reg. No. 59711) for the mark STIEVA-A, issued by the defunct Bureau of Patents, Trademarks and Technology Transfer on 10 January 1995⁶ However, the competing marks are not identical. Also, this Bureau noticed that the Opposer’s mark STIEVA-A covers dermatological preparation for the treatment of acne while the Respondent-Applicant uses the mark STEVIA for dietary food supplements in Class 5

and sweetener in Class 30. The goods covered by the competing trademarks, therefore, are not similar or related to each other. Thus, even if the competing marks bore some resemblance to each other, deception or confusion is remote.

The foregoing notwithstanding, this Bureau finds that STEVIA cannot be registered as a trademark for use on dietary food supplements and sweeteners.

It must be stressed that an opposition proceeding is essentially a review of the application in question, whether or not the requirements under the law are met. Thus, this Bureau in deciding an opposition case is not restricted by the grounds or issues cited or invoked by the parties. It is well within this Bureau's mandate to rule that the trademark application should not be allowed because it violates the provisions of the law. Aptly, this Bureau in determining whether or not a mark could be registered may and should take judicial notice of the meaning of or the concept, substance, or idea represented by the word or term applied for registration as a trademark.

The word STEVIA, according to "Wikipedia ('the free encyclopedia) Internet":

". . . is a genus of about 240 species of herbs and shrubs in the sunflower family Asteraceae), native to subtropical and tropical regions from western North America to South America. The species *Stevia Rebaudiana*, commonly known as sweetleaf, sweet leaf, sugar leaf, or simply stevia, is widely grown for its sweet leaves. As a sweetener and sugar substitute, stevias taste has a slower onset and longer duration than that of sugar, although some of its extracts may have a bitter or licorice-like aftertaste at high concentration.

"With its steviol glycoside extracts having up to 300 times the sweetness of sugar, stevia has garnered attention with the rise in demand for low-carbohydrate, low-sugar food alternative. Because stevia has a negligible effect on blood glucose, it is attractive as a natural sweetener to people on carbohydrate-controlled diets.

The availability of stevia varies from country to country. In a few countries, it has been available as a sweetener for decades or centuries; for example, stevia is restricted or banned. In other countries, health concerns and political controversies have limited its availability; for example, the United States banned stevia in early 1990s unless labeled as a dietary supplement, but in 2008 approved rebaudioside A extract as a food additive. Over the years, the number of countries in which is available as a sweetener has been increasing.

"History and use

"Steviol is the basic building block of stevia's sweet glycosides; Stevioside and rebaudioside A are constructed by replacing the bottom hydrogen atom with glucose and the top hydrogen atom with two or three linked glucose groups, respectively.

"The genus *Stevia* consists of 240 species of plants native to South America, Central America and Mexico, with several species found as far north as Arizona New Mexico, and Texas. They were researched by Spanish botanist and physician Petrus Jacobus Stevus (Pedro Jame. Esteve), from whose surname originates the Latinized word stevia. Human use of the sweet species *S. rebaudiana* originated in South America. The leaves of the stevia plant have 30-45 times the sweetness of sucrose (ordinary table sugar). The leaves can be eaten fresh, or put in teas and foods.

"In 1899, the Swiss botanist Moises Santiago Bertoni, during his research in eastern Paraguay first described the plant and the sweet taste in detail, only limited research was conducted on the topic until, in 1931. Two French chemists isolated the glycosides that give stevia its sweet taste. These compounds were named stevioside and rebaudioside, and are 250- 300 times as sweet as sucrose, heat stable, pH stable, and non-fermentable.

"The exact structure of the aglycone and the glycoside were published in 1955.

“In the early 1970s, Japan began cultivating stevia as an alternative to artificial sweeteners such as cyclamate and saccharin, which were suspected carcinogens. The plant’s leaves, the aqueous extract of the leaves, and purified steviosides are used as sweeteners. Since the Japanese firm Morita Kagaku Kogyo Co., Ltd produced the first commercial stevia sweetener in Japan in 1971, the Japanese have been using stevia in food products, soft drinks (including Coca Cola), and for table use. Japan currently consumes more stevia than any other country, with stevia accounting for 40% of the sweetener market.

“Today, stevia is cultivated and used in food elsewhere in east Asia, including in China (since 1984), Korea, Taiwan, Thailand, and Malaysia. It can also be found in Saint Kitts and Nevis, In Parts of South America (Brazil, Colombia, Peru, Paraguay, and Uruguay), Philippines and in Israel. China is the world’s largest exporter of stevioside.

“Stevia species are found in the wild in semiarid habitats ranging from grassland to mountain terrain. They do produce seeds, but only a small percentage of them germinate. Planting cloned stevia is a more effective method of reproduction.” (Emphasis supplied)

Corollarily, Sec. 123.1 of the IP Code states that a mark cannot be registered if it consists exclusively of signs that are generic for the goods or services that they seek to identify”.

A generic term is the common name for the products or services in connection with which it is used. A generic term is not capable of serving the essential trademark function of distinguishing the products or services of a business from the products or services of other businesses, and therefore cannot be afforded any legal protection. This is because there has to be some term which may generally be used by anyone—including other manufacturers—to refer to a product without using some organization’s proprietary trademark. Accordingly, considering that the word STEVIA is generic to the goods on which the Respondent-Applicant uses it as a trademark, the registration thereof is proscribed by Sec. 123.1 (h) of the IP Code.

WHEREFORE, in light of all the foregoing, the opposition is hereby SUSTAINED for the reasons stated above. Let the filewrapper of the Trademark Application No. 4-2008-014741 be returned together with a copy of this DECISION to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Makati City, 31 January 2011.