

DIAGEO SCOTLAND LIMITED,	}	Inter Partes Case No. 14-2006-00186
<i>Opposer</i>	}	Opposition to:
	}	
-versus-	}	Appl'n Serial No. : 4-2004-002496
	}	Date Filed : 15 March 2004
	}	Trademark : "MORRIGAN"
STAR NOVELTIES, INC.,	}	
<i>Respondent-Applicant</i>	}	
x-----x		Decision No. 2007 – 27

DECISION

This is an opposition to the registration of the mark "MORRIGAN" bearing application No. 4-2004-002496 filed on March 15, 2004 covering the goods "wines, spirits, liqueurs" falling under Class 33 of the International Classification of goods, which application was published in the Intellectual Property Philippines Electronic Gazette and released for circulation on August 18, 2006.

The Opposer in this opposition proceeding is "DIAGEO SCOTLAND LIMITED", a company organized and existing under the laws of Scotland, United Kingdom, with principal place of business at Edinburgh Park, 5 Lochside Way, Edinburgh EH 129 DT, Scotland, United Kingdom.

The grounds for the opposition are as follows:

- "1. The Opposer is the owner of the CAPTAIN MORGAN mark, which is registered with the Philippine Intellectual Property Office in the name of the Opposer for "rums" in class 33 and "beer, malt beverages and liquor" in class 32 under Registration Nos. 4-1993-62024 and 4-2003002688 respectively. The Opposer has also registered the CAPTAIN MORGAN mark in classes 32 and 33 in industrial property office in other countries

- "2. The registration of the mark subject of this opposition is contrary to Section 123.1 (d), (e), (f) of Republic Act No. 8293, which prohibit the registration of a mark that:
 - (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 good or services, or
 - (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

 - (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services;

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: *Provided*, That use of the mark in relation to those goods or services, and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use.”

“3. The Respondent-Applicant’s mark nearly resembles, in terms of spelling, pronunciation and appearance, the name MORGAN forming part of the Opposer’s CAPTAIN MORGAN mark as to be likely to deceive or cause confusion. Hence, the registration of the Respondent-Applicant’s mark will be contrary to Section 123.1 (d) of Republic Act No. 8293.

“4. The Opposer is entitled to the benefits granted to foreign nationals under Section 3 of Republic Act No. 8293, which provides:

“Section 3. *International Conventions and Reciprocity*. – Any person who is a national or who domiciled or has a real and effective industrial establishment in a county which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act.”

The Paris Convention for the Protection of Industrial property (“the Paris Convention”) provides that:

“Article 6*bis*

(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 considered by competent authority of the country of registration or use to be well-known in that country as being the mark of a person entitled to the benefits of this Convention and used for identical or similar goods.

“Article 10*bis*

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

“5. The Opposer’s CAPTAIN MORGAN mark is a well-known and world famous mark. Hence, the registration of the Respondent-Applicant’s mark will constitute a violation of Article 6*bis* and 10*bis*

of the Paris Convention in conjunction with Section 3, 123.1 (e) and 123.1 (f) of Republic Act No. 8293.

- “6. The Opposer and its predecessor-in-interest have used the CAPTAIN MORGAN mark in the Philippines and elsewhere prior to the filing of the application subject of this opposition. The Opposer continues to sue the CAPTAIN MORGAN mark in the Philippines and in numerous other countries.
- “7. The Opposer has also extensively promoted the CAPTAIN MORGAN mark worldwide. Over the years, the Opposer has obtained significant exposure for its goods upon which the CAPTAIN MORGAN mark is used, in various media including, television commercials, outdoor advertisements, internationally well-known print publications, and other promotional events.
- “8. The Opposer has not consented to the Respondent-Applicant’s use and registration of the MORRIGAN mark or any other mark identical or similar to the name MORGAN appearing in the Opposer’s CAPTAIN MORGAN mark.
- “9. The use by the Respondent-Applicant of the MORRIGAN mark on “wines, spirits, liqueurs” and other goods that are similar, identical or closely related to goods that are produced by, originated from, or are under the sponsorship of the Opposer, such as those covered by the registration for the CAPTAIN MORGAN mark under Opposer’ Registration Nos. 4-1993-62024 and 4-2003-002688 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. Respondent-Applicant’s use of the MORRIGAN mark will constitute unfair competition and potential damage to the Opposer will be cause as a result of the Opposer’s inability to control the quality of the products put on the market by the Respondent-Applicant under the MORRIGAN mark.
- “10. The use by the Respondent-Applicant of the MORRIGAN mark in relation to any goods identical, similar or closely related to the Opposer’s goods will take unfair advantage of, dilute and diminish the distinctive character or reputation of the Opposer’s CAPTAIN MORGAN mark.

The Bureau of Legal Affairs issued Notice to Answer, which was sent to the Respondent-Applicant through IPO Box No. 036 on January 10, 2007.

Despite receipt of the Notice to Answer by counsel of Respondent-Applicant no answer has been filed together with the affidavit of its witness and other documents in support of its trademark application being opposed, hence the same is considered waived.

Section 11 of the Summary Rules (Office Order No. 79, Series of 2005) provides:

Section 11. *Effect of failure to file answer.* – In case the Respondent-Applicant fails to file an answer, or if the answer is filed out of time, the case shall be decided on the basis of the petition or opposition, the affidavit of the witnesses and documentary evidence submitted by the Petitioner or Opposer.

The Opposer submitted the following exhibits as its evidence in compliance to Office Order No. 79, Series of 2005.

Exhibits "A" to "E" inclusive of sub-markings.

On the other hand, Respondent-applicant failed to file the required Answer and the affidavit of its witness and so with the documents in support of its trademark application being opposed subject of the instant opposition.

The only issue to be resolved in this particular case is:

WHETHER OR NOT THE RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK "MORRIGAN".

The applicable provisions of the law is, Section 123 (d) of Republic Act No. 8293, which provides:

Sec. 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:

- a. The same goods or services, or
- b. Closely related goods or services, or
- c. If it nearly resembles such a mark as to be likely to deceive or cause confusion;

Records will show that the mark "CAPTAIN MORGAN" has been registered with the then Bureau of Patents, Trademarks and Technology Transfer, now Intellectual Property Philippines (IPP) on November 10, 1995 bearing Registration No. 62024 in the name of "JOSEPH E. SEAGRAM & SONS" however, the said trademark has been assigned to "DIAGEO SCOTLAND LIMITED" which assignment was recorded under Book No. II, Series of 2005, page No. 42 date recorded December 6, 2004 (Exhibit "E").

Records further show that the Opposer's mark "CAPTAIN MORGAN" has been applied for re-registration with the Intellectual Property Philippines by Diageo Scotland Limited on *March 21, 2003* which application matures to Certificate of Registration No. 4-2003-002688 issued on March 20, 2005 (Exhibit "D").

Now, the remaining issue to be determined is whether there is confusing similarity between the competing trademarks CAPTAIN MORGAN of Opposer and MORRIGAN of Respondent-Applicant.

The Respondent-Applicant's mark consists of the word "MORRIGAN" while that of the Opposer consist of the words "CAPTAIN MORGAN" as appearing in the certificate of registration issued by the Intellectual Property Philippines in favor of the herein Opposer bearing Registration No. 4-2003-002688 on March 20, 2005 (Exhibit "D").

In ascertaining whether one trademark is confusingly similar or is a colorable imitation of another, two kinds of test have been developed. The *dominancy test* applied in *Asia Brewery, Inc., vs. Court of Appeals, 224 SCRA 437*; *Co Tiong vs. Director of Patents, 95 Phil. 1*; *Lim Hoa vs. Director of Patents, 100 Phil. 214*; *American Wire & Cable Co., vs. Director of Patents, 31 SCRA 544*; *Philippine Nut Industry, Inc., vs. Standards Brands, Inc., 65 SCRA 575*; *Converse Rubber Corp., vs. Universal Rubber Products, Inc., 147 SCRA 154*; and the *holistic test* developed in *Del Monte Corp., vs. Court of Appeals, 181 SCRA 410*; *Mead Johnson & Co., vs.*

N.V.J. Van Dorp., Ltd., 7 SCRA 771; Bristol Myers Co., vs. Director of Patents, 17 SCRA 128; Fruit of the Loom vs. Court of Appeals, 123 SCRA 405.

As its title implies, the test of dominancy focuses on the similarity of the prevalent, essential or dominant features of the competing trademarks which might cause confusion or deception. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in questions must be considered in determining confusing similarity.

The dominant feature of the Opposer's mark is the word "MORGAN" while the Respondent-Applicant's mark consists of the word "MORRIGAN".

Although the Opposer's mark "CAPTAIN MORGAN" is a composite one because it is composed of two words or two elements, one of the elements is the word "MORGAN" which is its dominant feature, on the other hand, Respondent-Applicant mark consists of the word "MORRIGAN", the competing marks are confusingly similar.

In the case at bar, comparison of the competing marks at a glance in a quite far distance appears that they are almost the same or identical. When *pronounced*, they are exactly the same. Their letters compositions, however, although not exactly the same as Respondent-Applicant's MORRIGAN with the addition of "RI" between the words "R" and "G", this slight distinction is insignificant. In totality, there is confusing similarity between the Opposer's mark and that of the Respondent-Applicant's mark.

Considering that the Opposer's mark CAPTAIN MORGAN is registered with the Intellectual Property Philippines and that the mark MORGAN is its dominant feature, the same is no longer subject of appropriation by any other third party, as it is protected under the trademark law.

WHEREFORE, in light of the foregoing, the Notice of Opposition is hereby SUSTAINED. Consequently, trademark application bearing Serial No. 4-2004-002496 filed on March 15, 2004 for the mark "MORRIGAN" filed by STAR NOVELTIES, INC., is hereby REJECTED.

Let the filewrapper of the trademark "MORRIGAN" 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, 05 March 2007.

Atty. ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs