

KELLOGG COMPANY,  
*Opposer,*

INTER PARTES CASE NO. 3834

Opposition to:

Trademark: "SMACKS"

Serial No.: 69335

Filed On: 13 September 1989

Goods : Rice Crackers, Food

-versus-

Snacks

SEE ENG HUY,

*Respondent-Applicant.*

Decision No. 98-13

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## DECISION

This is an Opposition to the registration of the mark "SMACKS" applied for by Respondent SEE ENG HUY. The Opposition was filed by KELLOGG COMPANY, a foreign corporation duly organized and existing under the laws of the State of Missouri, United States of America with principal residence at One Kellogg Square, P.O. Box 3599, Battle Creek, Missouri, U.S.A.

This Opposition is due to Respondent's application for the trademark "SMACKS" for rice crackers and food snacks which identical to the registered mark "SMACKS" of Kellogg Company for the same line of products. i.e., breakfast food, snack food under Class 30. Respondent's application was published in Volume V No. 4 of the BPTTT Official Gazette which was officially released for circulation on 11 September 1992.

The Verified Notice of Opposition was timely filed on 11 January 1993.

Kellogg Company relied on the following to support its contention:

- "1. Opposer is the owner and rightful proprietor of the internationally known trademarks "SMACKS", "SUGAR SMACKS" and "HONEY SMACKS" (the SMACKS Trademarks) which are used on Opposer's cereal products. The trademark "SUGAR SMACKS" was registered in the United States of America as early as 27 July 1954 and amended in 1982 to "SMACKS". The trademark "HONEY SMACKS" was registered in Australia as early as 28 February 1961. In the Philippines, the trademark "SUGAR SMACKS" was issued Certificate of Registration No. 11769 on 1 July 1965 and the registration was renewed on 1 July 1985 for another twenty (20) years. The trademark "HONEY SMACKS" was issued Certificate of Registration No. 52093 on 29 January 1992;
- "2. As the owner of the SMACKS Trademarks, Opposer caused the registration of the same in many countries, including the Philippines, as indicated in the listing of such registrations attached hereto and made integral part thereof as Annex "A";
- "3. The SMACKS Trademarks have been continuously used worldwide, including the Philippines, and such use was prior to respondent-applicant's use of his trademark on 2 January 1988. In particular, the Opposer's "SUGAR SMACKS" was first used in the Philippines as early as 15 September 1954, or 34 years prior to Respondent-Applicant's alleged first use of its trademark. By reason of Opposer's worldwide, prior and continuous use of the SMACKS Trademarks, the same have acquired a meaning exclusively identified with Opposer's goods;
- "4. To promote Opposer's goods in the Philippines and to ensure the quality thereof, Opposer maintains an advertising campaign and promotion of the Opposer's goods. By reason of Opposer's worldwide and extensive promotional campaign

and the registrations of its trademarks in more than 60 countries, the SMACKS Trademarks have become internationally famous;

- “5. On 13 September 1989, Respondent-Applicant fraudulently applied for registration of the trademark “SMACKS” for rice crackers, food snack in the same class as the goods covered by the SMACKS Trademarks, undoubtedly to take advantage of the popularity and goodwill generated by the SMACKS Trademarks. There are limitless names available to Respondent-Applicant, but it ventured to adopt the mark “SMACKS” undoubtedly to confuse, mislead or deceive purchasers into believing that the goods of Respondent-Applicant are those of, or are sponsored by, the Opposer;
- “6. The use and adoption in bad faith by Respondent-Applicant of the trademark “SMACKS” would not only falsely tend to suggest a connection with Opposer and, therefore, constitute a fraud on the general public, but would also cause the dilution of the distinctiveness of the registered SMACKS Trademarks to the prejudice and irreparable damage of Opposer;
- “7. The use and adoption by Respondent-Applicant of the trademark “SMACKS” which is confusingly similar to and resembles the SMACKS Trademarks constitute an unlawful appropriation of a mark previously used in the Philippines and not abandoned. Accordingly, Application Serial No. 69335 filed by Respondent-Applicant for the registration of the SMACKS Trademarks is in violation of Section 4 (d) of Republic Act No. 166, as amended.”

In its Answer, Respondent, by way of Special and Affirmative Defenses raised the following:

“7.1 That Opposer’s products are usually in combination with another word such as SUGAR SMACKS and HONEY SMACKS and proceeded by the firm name KELLOGG’S while Respondent-Applicant’s trademark is simply SMACKS;

“7.2 That Respondent-Applicant filed its application for the trademark SMACKS since September 1989 and was published for Opposition since September 11, 1992 in the BPTTT Official Gazette but the Verified Opposition was filed only on January 11, 1993 or after 120 days after the issuance of the Official Gazette and overdue by 90 days since an Opposition must be filed within a period of 30 days from publication under the provisions of R.A. 166 and the Rules of Procedure. There is no showing that an unverified Petition was filed and an extension given by the Honorable Director for “goods cause shown” by the Opposer.

The Opposition was therefore filed beyond the reglementary period provided for by law.

“7.3 That the allegation that the trademarks of the Opposer are known “worldwide” does not justify the fact that it may not be a well known in this jurisdiction or the brands in question had been USED IN THE PHILIPPINES.”

After the Answer was filed, the case was set for Pre-Trial Conference which was postponed several times due to the absence of Counsel for Respondent-Applicant and the latter’s inability to submit its Pre-Trial Brief and the Special Power of Attorney.

Records show that Respondent was previously declared AS IN DEFAULT for failure to appear at the Pre-Trial Conference under Order No. 93-470 but the same was set aside upon Motion of Counsel of Respondent-Applicant.

Counsel for Respondent has been given the last opportunity to submit the Pre-Trial Brief and the Special Power of Attorney on 11 October 1993, however, Counsel still failed to submit

the required papers and Respondent was thus, declared AS IN DEFAULT. The case proceeded with the ex-parte presentation of Opposer's witnesses and evidences.

Opposer offered Exhibits "A" to "EE-1" which this Office admitted in evidence for the Opposer for whatever worth it may serve in the proceeding at hand. Most of the Exhibits submitted by the Opposer consist of Certificate of Trademark Registrations in various countries including the Philippines.

The bone of contention now before us is whether or not the trademark "SMACKS" applied for by the Respondent is confusingly similar to the registered trademark of the Opposer such that the registration of the former constitute a direct violation of the provision of Section 4(d) of Republic Act No. 166.

The provision of the law is explicit enough in proscribing the registration of a trademark that:

"(d) Consists of or comprises a mark or trade name which resembles a mark or a trade name registered in the Philippines or a mark or trade name previously used in the Philippines by another and not abandoned, as to be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers."

In this case at bar, not only is there similarity in the spelling and pronunciation, the assailed mark of Respondent is likewise applied to almost the same products falling under the same Classification as that of the products of Opposer, i.e. cereal products and rice crackers and food snack, respectively.

A litany of Supreme Court decisions on the same matter can be cited that not only sustains the Opposer's contention but also upholds the precedents laid down by the High Court in several decisions in Trademark cases. One such decision is laid down in the case of *Marvex Commercial Co., Inc. vs. Petra Hawpia*, L-19297, December 22, 1966, 18 SCRA 1178. The Supreme Court said:

"In the case at bar, "SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied merchandise of the same descriptive properties. The registration of "LIONPAS" cannot therefore be given due course."

Not only are the marks in question similar, they are identical especially when applied to the same like of goods. It must be stressed time and again that trademarks are the properties of the registrant in which enormous amount of investment had been spent to acquire the goodwill that it has established through the years. It is therefore not only unfair to allow another to capitalize on such goodwill but an injustice in the form of usurpation and deprivation of property.

Moreover, well-settled in this jurisdiction is the application of two kinds of tests in determining whether two marks are confusingly similar with each other. In the test of Dominancy, what is of significance is the similarity of a mark with another mark taking into account the dominating mark to which consumers have become familiar with when purchasing goods. The marks subject of resolution are Respondent's "SMACKS" and Opposer's number of "SMACKS". As can be gathered from the enumeration of the parties' respective marks, the dominating mark that emerges is "SMACKS". Obviously, there is more than mere similarity in sounds and spelling. Both marks are used on the same line of goods i.e., breakfast food, food snacks falling under Class 30 of the International Classification of goods.

The Holistic Test on the other hand, hives use the same conclusion. Taken as a whole, the mark SMACKS applied for by Respondent is closely identical to Opposer's trademark.

Applying these two legal precepts in the case at bar, it is undeniably clear that the application filed by Respondent must fail.

It is likewise worthy to note the jurisprudence laid down by the High Tribunal in the case of *Co Tiong Sa vs. Director of Patents, L-17901, October 29, 1965, 95 Phil. 1*, where the following was pronounced:

*“Duplication or exact imitation is not necessary nor is it necessary that the infringing label should suggest an effort to imitate.”*

In the case before us, there is exact imitation, duplication. It is therefore undisputable that confusing similarity is more than likely. An ordinary purchaser will not go out of his way to check manufacturer or source of the goods he buy. The normal thing he would do is to rely on the trademark printed across the packaging. More often than not, a mark that has become familiar with the ordinary purchaser is the mark that will likely be the object of purchaser without regard as to the manufacturer of the same. It is therefore apt to this forum to hold that Respondent intends to ride on the goodwill established by the Opposer, the real owner of the mark in question who has the right to be protected against infringement and unfair competition.

WHEREFORE, considering the forgoing premises, this Office finds merit in the Opposition filed. Hence, the same is, as it is hereby SUSTAINED. Consequently, Application Serial No. 69335 filed by Respondent-Applicant for the registration of SMACKS trademark which was previously considered ABANDONED pre Order No. 94-647, is likewise declared violative of Section 4(d) of Republic Act No. 166, as amended.

Let the filewrapper of this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau for appropriate action in accordance with this Decision with a copy thereof to be furnished the Bureau of Trademarks for information and update of its records.

SO ORDERED.

28 November 1998.

ESTRELLITA BELTRAN-ABELARDO  
Caretaker/Officer-In-Charge