

MARS UK LIMITED,	}	IPC NO. 14-2007-00282
Opposer,	}	Case filed on: October 1, 2007
	}	
- versus -	}	Opposition to:
	}	Appln. Ser. No. 4-2006-003195
	}	Date Filed: 21 March 2006
	}	Trademark: "FLAVIA"
ESTRELLA P. HERNANDEZ,	}	
Respondent-Applicant.	}	
x-----x		Decision No. 2008-166

DECISION

This is an opposition to the registration of the mark "FLAVIA" filed on 21 March 2006 bearing Application No. 4-2006-03195 covering the service of restaurant, coffee shop and bar falling under class 43 of the International Classification of goods, which application was published in the Intellectual Property Office E-Gazette on June 1, 2007.

The Opposer in the instant opposition is "MARS UK LIMITED", a company organized under the laws of England, having its principal place of business at Armstrong Road, Basingstoke Hants, RG24 8NU, England.

On the other hand, the Respondent-Applicant is "ESTRELLA P. HERNANDEZ", with business address at Centro East, Ballesteros Cagayan.

The grounds for the opposition are as follows:

1. The Opposer is the owner of the FLAVIA mark, which it uses on coffee and coffee-related goods including beverage makers and beverage dispensing machines. The Opposer has registered the FLAVIA mark in various classes including classes 9, 11, and 30 in numerous intellectual offices worldwide. In the Philippines, the Opposer has applied for the registration of the FLAVIA mark in classes 9, 11 and 30.

2. The registration of the mark subject of this opposition is contrary to Sections 123.1 (c) and (f) of Republic Act 8293,

3. The Respondent-Applicant's mark is identical or confusingly similar to the Opposer's FLAVIA mark in terms of spelling pronunciation and appearance 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 (c) and (f) of Republic act 8293.

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

5. The Opposer's FLAVIA mark is a well known mark. hence, the registration of the Respondent-Applicant's mark will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Section 123.1 (e) and 123.1 (f) of Republic Act No. 8293.

6. The Opposer has used the FLAVIA mark prior to the filing date of the application subject of this opposition, it continues to use the mark in several countries of the world.

7. The Opposer has also extensively promoted the FLAVIA mark. From the time Opposer adopted the FLAVIA mark in approximately 1989, the Opposer has obtained significant exposure for its goods upon which FLAVIA mark is used in various media.

8. The Opposer has not consented to the Respondent-Applicant's use and registration of the FLAVIA mark or any mark identical or similar to the Opposer's FLAVIA mark.

9. The use by the Respondent-Applicant of the FLAVIA mark on the goods covered by the opposed application and other goods that are similar, identical or closely related to goods in classes 9, 11 and 30 that are produced by, originate from, or are under the sponsorship of the Opposer, such as clothing, will mislead the purchasing public into believing that the Respondent-Applicant's goods are produced by, originate from, or are under the sponsorship of the Opposer. Respondent-Applicant's use of the FLAVIA mark will constitute unfair competition and potential damage to the Opposer will be caused 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 FLAVIA mark.

10. The use by the Respondent-Applicant of the FLAVIA 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 FLAVIA mark.

11. The denial of the application subject of this opposition is authorized under other provisions of Republic Act No. 8293.

Together with the Verified Notice of Opposition (Exhibit "A"), Opposer submitted the following documentary evidence:

Exhibits	Description of Documents
"B"	Authenticated Affidavit of Catherine D. Burge
"B-1"	Brochures promoting the products bearing the mark FLAVIA
"B-2"	Table of details of company's applications and registrations of FLAVIA mark worldwide
"C"	Copy of Certificate of Registration No. 447747 for FLAVIA in Classes 9, 11, 30 and 32 in Australia issued on July 1, 1986
"D"	Copy of Certificate of Registration No. A510009 for FLAVIA in Classes 29 in Australia issued on May 4, 1989
"E" to "I"	Copy of Certificate of Registration in China for the mark FLAVIA in Class 11, 9, 32, 30 and 29
"J" to "L"	Copy of Certificates of Registration of the mark FLAVIA in Hong Kong for Classes 30, 9 and 29
"M" to "O"	Copy of Certificates of Registration of the mark FLAVIA for Classes 30, 9 and 42 in Indonesia
"P" and "Q"	Copy of Japan Certificate of Registrations for Class 3, 9, 21, 29,

	30, 35, 36, 37, 42 and 43 for the mark FLAVIA
“R” to “T”	Copy of the Certificate of Registration in Malaysia for Classes 9, 29 and 30 of the mark FLAVIA
“U”	Copy of the Certificate of Registration in New Zealand for Class 29 of the mark FLAVIA
“V” and “W”	Copy of the Certificate of Registration in South Korea for Classes 9 of the mark FLAVIA
“X” to “Z”	Copy of the Certificate of Registration in Singapore for Classes 9, 29 and 30 of the mark FLAVIA
“AA” to “CC”	Copy of the Certificate of Registration in Taiwan for mark FLAVIA
“DD” to “FF”	Copy of the Certificate of Registration in Thailand for Classes 9, 29 and 30 of the mark FLAVIA
“GG”	Legalized Certificate of authority of Catherine Burge

On October 5, 2007, this Bureau issued a Notice to Answer. After several extensions, Respondent-Applicant filed its Answer on January 14, 2008 through registered mail. In his Answer, Respondent-Applicant averred the following affirmative defenses:

1. The mark FLAVIA in the name of the Opposer is not internationally known as it does not conform with the standards set forth in the internationally known mark as it does not conform with the standards set forth in the Intellectual Property Code. As can be clearly culled from the Opposition and the other exhibits, the mark FLAVIA is not well-known in the Philippines.

2. The mark FLAVIA is owned by the Respondent-Applicant as she is the person having an application with the earlier filing date following the first to file rule under the Intellectual Property Code.

Respondent-Applicant attached in her Answer her own Affidavit which was marked as Exhibit “1”.

On March 3, 2008, Opposer filed its Reply to the Answer. On March 14, 2008, a Notice of Preliminary Conference was issued by this Bureau. During the preliminary conference on May 8, 2008, only Opposer’s counsel appeared. For failure of Respondent-Applicant to appear during the said hearing, the preliminary conference was terminated and Respondent-Applicant’s right to file Position Paper was deemed waived. On the other hand, Opposer was directed to file its Position Paper. On June 2, 2008, Opposer filed its Position Paper. Hence, this decision.

The sole issue to be resolved in this case is: WHETHER OR NOT RESPONDENT-APPLICANT’S MARK “FLAVIA” SHOULD BE REGISTERED.

Opposer in its Position Paper argued that Respondent-Applicant’s FLAVIA mark is identical in spelling, sound and appearance to its own mark FLAVIA. As such it is likely to mislead the public into believing that the goods bearing the said mark are associated with the Opposer. Opposer also posits that its FLAVIA mark is well-known and world famous mark, hence, the registration of Respondent-Applicant’s mark will constitute a violation of Article 6*bis* and 10*bis* of the Paris Convention in conjunction with Sections 3, 123.1 (f) of the IP Code. Also, according to the Opposer Respondent-Applicant should be deemed to have abandoned the

application for Respondent-Applicant failed to appear at the preliminary conference which is indicative that she lost interest in pursuing her application.

For a better appreciation of the contention of the parties, their respective marks are herein reproduced:

Opposer's mark	Respondent-Applicant's Mark
	

As depicted above, it is undeniable that the marks of the parties are identical in spelling and pronunciation in the sense that both marks contain the word FLAVIA which is the dominant feature of both marks. With the apparent similarity of the mark, what is left to be reckoned before this Bureau is who between Opposer and Respondent-Applicant has a better right over the "FLAVIA" mark.

In the instant case, Opposer in opposing the application for registration of the herein subject mark claims that its own FLAVIA mark is a well known mark. Section 123.1 (e) of Republic Act No. 8293 provides:

"SEC. 123.1 A mark cannot be registered if it:

x x x x

(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; Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark; xxx." [Emphasis ours.]

The cited provision is very explicit that a mark cannot be registered if it is identical or confusingly similar to a mark which has been declared well-known internationally and in the Philippines by competent authority. The said provision further requires that in order to determine whether a mark is well-known, account shall be taken of the relevant sector of the public including knowledge in the Philippines. The evidence of Opposer shows that its FLAVIA mark was first used in commerce as early as 1989 in the United Kingdom and at present, it is used on coffee and coffee related goods that are available in the United Kingdom, France, Germany, Japan and North America. Likewise, Opposer's FLAVIA mark was registered way back in July 1, 1986 (Exhibit "C"). Be that as it may, protection under foreign registration could not extend to the Philippines because the law on trademark rests on the principle of nationality or territoriality, which is recognized in the Philippines. Registration in the United States is not registration in the

Philippines. As such said registration cannot be made a basis to conclude that Opposer has a better right over the mark FLAVIA as against Respondent-Applicant.

As enunciated by the Supreme Court in the case of **STERLING PRODUCTS INTERNATIONAL INCORPORATED vs. FARBENFABRIKEN BAYER AKTIENGESELLSCHAFT and ALLIED MANUFACTURING AND TRADING CO., INC.**, to wit:

“Neither will the 1927 registration in the United States of the BAYER trademark for insecticides serve plaintiff any. The United States is not the Philippines. Registration in the United States is not registration in the Philippines. At the time of the United States registration in 1927, we had our own Trademark Law, Act No. 666 aforesaid of the Philippines Commission, which provided for registration here of trademarks owned by persons domiciled in the United States.

x x x x

There is nothing new in what we now say. Plaintiff itself concedes that the principle of territoriality of the Trademark Law has been recognized in the Philippines, citing *Ingenohl vs Walter E. Olsen*, 71 L. ed. 762. As Callman puts it, the law of trademarks “rests upon the doctrine of nationality or territoriality.” (Emphasis Supplied)

Furthermore, Opposer failed to prove that its mark is one of those marks declared as a well-known mark under the Ongpin Memorandum. In addition, even though Section 123.1 (e) does not require that a mark be registered here in the Philippines, the law nonetheless is very unequivocal that in order to bar registration of an identical or confusingly similar well-known mark, evidence should be presented to demonstrate that Opposer’s mark is recognized by the relevant sector of the public or that the public is aware of such mark as a result of promotion here in the Philippines. In this regard, Opposer failed to satisfy this requirement of the law as it failed to present any evidence to show the extent of promotion/advertisement of its goods with its FLAVIA mark here in the Philippines. While Opposer presented brochures were circulated here in the Philippines. Thus, since Opposer’s mark is not a well-known mark, its reliance on Section 123.1 (e) of the IP Code to bar registration of Respondent-Applicant’s mark is misplaced.

Anent the contention of Opposer that Respondent-Applicant is deemed to have abandoned his application for her failure to appear during the preliminary conference, the same is not well founded. Section 14.3 of Office Order No. 79 states:

“14.3. Immediately after the termination of the preliminary conference, the Hearing Officer shall issue an order requiring the parties to submit their respective position papers and, if desired, draft decisions within a non-extendible period of ten (10) days from receipt of the said order. The position papers, and the draft decisions, if any, shall take up only those matters and issues covered or alleged in the Petition or Opposition and the Answer, the supporting evidence, and those determined during the Preliminary Conference. No new matters or issues shall be raised or included in the position papers, and draft decisions, if any. Any such new matters or issues shall be disregarded. A party who fails to attend the preliminary conference shall be deemed to have waived the right to submit position papers and draft decision.”

Preciding therefrom, in case a party fails to appear during the scheduled preliminary conference, the party is deemed to have waived his right to file Position Paper. This Bureau cannot extend the rules to include abandonment as a consequence of failure to attend the preliminary conference. In fact, Respondent-Applicant’s filing of an Answer negates the alleged abandonment of application for registration of the herein subject mark.

WHEREFORE, premises considered, the instant Opposition is as, it is hereby DENIED. Accordingly, the application filed on March 21, 2006 bearing Application Serial No. 4-2006-003195 covering the service of restaurant, coffee shop and bar falling under class 43 of the International Classification of Goods for the mark "FLAVIA" filed in the name of ESTRELLA P. FERNANDEZ is hereby GIVEN DUE COURSE.

Let the file wrappers of the trademark "FLAVIA", 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, 04 September 2008.

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