

PHILIP MORRIS PRODUCTS, S.A.,	}	IPC No. 14-2005-000138
Opposer,	}	Opposition to:
	}	
-versus-	}	Serial No. 4-2004-007074
	}	Date Filed: Aug. 6, 2004
ASSOCIATES ANGLO-AMERICAN	}	
TOBACCO CORPORATION,	}	Trademark: "WINNSBORO"
Respondent-Applicant.	}	

x-----x Decision No. 2007-05

DECISION

This pertains to an Opposition filed on 24 October 2005 by herein opposer, PHILIP MORRIS PRODUCTS, S.A., A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF Switzerland, with address at Quai Jeanrenaud 3, 2000 Neuchatel, Switzerland, against the application for registration of the trademark "WINNSBORO" bearing Application Serial No. 4-2004-007074 filed on 06 August 2004 for goods falling under Class 34 of the Nice Classification of Goods, for cigarettes, by ASSOCIATED ANGLO-AMERICAN TOBACCO CORPORATION, Respondent-Applicant, a domestic corporation organized and existing under the laws of the Republic of the Philippines with a registered address at 2646 Dimasalang St., Pasay City.

The subject trademark application was published for opposition in the Intellectual Property Office Official Gazette which was officially released for circulation on 24 August 2005.

Accordingly, the grounds for opposition are as follows:

1. The applicant's mark "Winnsboro", which clearly adopts a dominant portion of the mark Marlboro as can be seen from the second and third syllables "boro" of the mark "Winnsboro", is a manifest act of bad faith designed to ride on the goodwill of the mark Marlboro used for "cigarettes."

2. The opposer's mark Marlboro is written in a particular style or font as can be seen from the sample label showing the mark Marlboro. Applicant's mark "Winnsboro" is written in such a way that the word "boro" is identical or confusingly similar to the style or font of the Marlboro mark. There is also an extended vertical line in the letter "b" of "Winnsboro" that is identical to the "b" in Marlboro. The letter "b" is longer than the first letter "W" in "Winnsboro", which is likewise identical to the letter "b" that is longer than the first letter "M" in Marlboro. Moreover, it is worthy to note that the letter "W" is, in fact, an inverted "M".

A Marlboro label is hereto attaches as Annex "A".

3. The opposer's mark Marlboro is registered in the Philippines for "cigarettes" in class 34, hence, the adoption by adoption of a confusingly similar mark is prohibited under Sec. 123 (d) of RA 8293, the Intellectual Property Code.

A copy of the certificate of Trademark Registration No. 50030 for Marlboro is hereto attached as Annex "B". A copy of the assignment document and the change in name document of the registrant are also hereto attached as Annexes "B-1 and B-2, respectively".

4. The trademark Marlboro is known in numerous countries to be owned by the opposer. It is registered in countries worldwide. Hence, the registration of a confusingly similar trademark "Winnsboro", with the second and last syllables "boro" adopted from the registered and well-known mark Marlboro will be a

breach of the clear provisions of Art. 6bis of the Paris Convention and Sec. 123 (e) of RA 8293 on well-known marks in the Philippines.

5. Opposer hereby opposes the registration and use by applicant of this trademark "Winnsboro" because of applicant's adoption of the word "boro", which word is part of the registered mark Marlboro. The adoption by applicant of the same extended vertical line in the letter "b", and with the letter "b" longer than the first letter "W" creates the same overall impression as the registered mark Marlboro. Hence, such adoption by applicant shall only diminish the distinctiveness and dilute the goodwill of opposer's trademark Marlboro.

6. Applicant's use and adoption of the word "boro" as part of its mark "Winnsboro" is further aggravated by its adoption of a slogan "Come to Winnsboro of Texas" and the same cowboy imagery on the label, which slogan imagery are also confusingly similar to opposer's well-known slogan "Come to Marlboro Country" and its cowboy imagery.

A copy of the label of Winnsboro is hereto attached as Annex "C".

7. It is undeniable that the opposer's mark Marlboro and its well-known slogan "Come to Marlboro Country" have penetrated markets worldwide and are well-known in the relevant sector of the public, if not the general public. Having been extensively used and advertised by the opposer internationally including the Philippines, the mark Marlboro, the slogan "Come to Marlboro Country", and the cowboy imagery have become distinctive of opposer's goods. By local law and treaty provisions of the Paris and Berne Conventions, Marlboro as well as the slogan "Come to Marlboro Country" are entitled to protection.

In support of the above opposition, Opposer relied on the following facts, to wit:

1. Opposer is the owner of the well-known mark Marlboro for "cigarettes" in class 34. The registration of the mark Marlboro in the Philippines was first used on July 26, 1937 under Certificate of Trademark Registration No. 12465-BC.

A copy of the certificate of Renewal for Trademark Registration No. 12465-BC is hereto attached as Annex "D".

2. The mark Marlboro is currently the subject of certificate of Trademark Registration No. 50030 issued on February 19, 1991, which certificate of trademark registration is still valid and existing.

3. The mark Marlboro has long been used internationally and in the Philippines by the opposer.

4. Opposer's mark Marlboro is also promoted internationally and in the Philippines through extensive sales and through advertisement.

Samples or photos of the advertisement showing the mark Marlboro and the slogan "Come to Marlboro Country" will be presented as part of opposer's evidence.

5. The slogan "Come to Marlboro Country" and the cowboy imagery have likewise been used in connection with the promotion of the Marlboro cigarettes internationally and in the Philippines.

6. Opposer's trademark Marlboro has obtained international recognition and goodwill as belonging to one owner or origin, the opposer herein. The

appropriation by applicant of the word “boro” in the same font and style, which word and style are both a dominant portion and feature of the registered and well-known Marlboro, in both the mark “Winnsboro” and the slogan “Come to Winnsboro of Texas” is a manifest act of bad faith. Opposer will be damaged and prejudiced by applicant’s unlawful appropriation of the word “boro”, and in the particular style thereof, which word and style are originally created and adopted by herein opposer.

Respondent-applicant in its Answer dated 04 April 2006 admitted the allegations in the opening paragraph of the Notice of Opposition regarding the filing and publication for opposition of the subject application. All other allegations therein, particularly, the matter on due incorporation and legal existence of opposer and paragraphs 1, 2, 3, 4, 5, 6 and 7 for being self-serving conclusions of facts and law, are denied. Claims in paragraphs 1, 2,3,4,5 and 6 are likewise specifically denied for lack of personal knowledge and information.

The following are the special and affirmative defenses set forth by respondent-applicant:

1. Opposer has no valid cause of action against the respondent.
2. The ownership of the mark “Winnsboro” for cigarettes in Class 34 has long been vested in favor of the respondent as the latter has been using the mark “Winnsboro” in the Philippines openly, continuously, extensively and exclusively since February 11, 1989.
3. More importantly, respondent has registered in its name the trademark “Winnsboro” for cigarettes in Class 34 as early as May 13, 1991 under Certificate of Registration No. 50573. The said registration was deemed cancelled on a mere technical ground for herein respondent inadvertently failed to file the 10th Anniversary Affidavit of Use. A copy of the aforesaid registration is attached to the affidavit of respondent’s witness in this case.
4. Respondent in its long use of the trademark “Winnsboro” never received even a single complaint from the buying public or from the opposer itself of any alleged confusion in the market between the respondent’s “Winnsboro” and opposer’s “Marlboro” trademarks.
5. Due to long use and registration by the respondent of the trademark “Winnsboro” for cigarettes opposer is now barred by the equitable principles of laches, estoppel and acquiescence from opposing the subject application.
6. Subject application was examined, found to be meritorious and approved pursuant to the IP Code and the Implementing Rules and Regulations.

Pursuant to Office Order No. 79, series of 2005 (Amendments to the Regulations of Inter Partes Proceedings), prescribing the summary rules, listed hereunder are the evidence in support of the opposition, submitted by the opposer, to wit:

Exhibit	Description
“A” to “A5”	Authenticated affidavit of Bernard Combremont and Germain Simonet of Philip Morris Products, S.A.
“A6” to A7”	Certified true copy of Philippine Trademark Registration No. 50030 for MARLBORO

“A8”	<p>Notice of recordal of assignment from Philip Morris Products, Inc. to Fabriques de Tabac Reunies, S.A. and the recordal of change of name from Fabriques de Tabac Reunies, S.A. to Philip Morris Products, S.A.</p> <p>Notice of filing of the 5th and 10th year affidavits of use</p>
“A9” to “A18”	Facts and/or history of MARLBORO trademark under Swiss TM Reg. No. 361681
“A19” to “A27”	Certified true copy of Swiss Trademark Reg. No. 361681 with the attached history of the changes in the name of the trademark owner and its translation
“A23” to “A27”	Facts and history of the MARLBORO Label under Swiss TM Reg. No. 409454
“A28” to “A35”	Certified true copy of Swiss Trademark Reg. No. 409454 with its verified English translation
“A36” to “A42”	Certified true copy of the OHIM Trademark Reg. No. 000699543 for MARLBORO Label with its English Translation
“A43” to “A50”	Certified true copy of the OHIM Trademark Reg. No. 000699543 for MARLBORO Label with its English translation
“A51” to “A56”	Certified true copy of OHIM Trademark Reg. No. 000699774 for COME TO MARLBORO COUNTRY with its English translation
“A57” to “A61”	Certified true copy of the Australian Trademark Reg. No. A161395 for MARLBORO
“A62” to “A67”	Certified true copy of the Australian Trademark Reg. No. A126011 for MARLBORO Label
“A68” to “A71”	List of worldwide trademark registration for MARLBORO
“A71a”	MARLBORO Volume Trend (in thousand units from 1995-2005

“A72” to “A88”	Samples of advertisements released in the Philippines and in Europe featuring MARLBORO, the MARLBORO Label, and The slogan COME TO MARLBORO COUNTRY
“A89”	Table of Marlboro Spending (in USD) from 2000-2005
“A90”	Copy of the Article entitled “Global Brand Scoreboard” featuring MARLBORO as the tenth brand among The top 100 brands in the world
“B”	Sample photo of the MARLBORO Label
“C”	Sample photo of the WINNSBORO Label and the slogan “Come to Winnsboro of Texas”
“D1”	Copy of the Certificate of Renewal No. 12456-BC for Marlboro.

Respondent-applicant submitted the following evidence in support of its Answer, to wit:

Exhibit	Description
“1”	Affidavit of Florante C. Dy
“2”	Certificate of Filing of Amended Articles of Incorporation
“3”	Certified true copy of Certificate of Registration No. 50573 for the trademark WINNSBORO
“4”	Letter dated August 23, 1989 issued by the Commissioner of Internal Revenue Jose U. Ong
“4-A”	Letter dated August 23, 1989 issued by the Bureau of Internal Revenue to Associated Anglo-American Tobacco Corporation
“5”	Letter dated February 25, 1992 issued by the Commissioner of Internal Revenue to Associated Anglo-American Tobacco Corp.
“5-A”	Letter dated February 25, 1992 issued by the Commissioner of Internal Revenue to Associated Anglo-American Tobacco Corp.

“6”	Copy of a label showing the WINNSBORO mark	
“7”	Factory Consignment Invoice No. 34764 dated December 22, 2003	
“7-A”	Factory Consignment Invoice No. 34787 dated January 5, 2004	
“7-B”	Factory Consignment Invoice No. 35551 dated November 17, 2004	
“7-C”	Factory Consignment Invoice No. 35939 dated May 23, 2005	
“7-D”	Factory Consignment Invoice No. 36406 dated October 26, 2005	
“7-E”	Factory Consignment Invoice No. 36458 dated November 23, 2005	
“7-F”	Factory Consignment Invoice No. 36514 dated December 22, 2005	
“7-G”	Factory Consignment Invoice No. 36599 dated January 30, 2006	
“7-H”	Factory Consignment Invoice No. 36671 dated February 20, 2006	
“7-I”	Factory Consignment Invoice No. 36777 dated March 22, 2006	

Thereafter, this case was set for preliminary conference. Failing to reach settlement, parties were directed to submit position papers. Hence, the issue posed for this Office to resolve is:

WHETHER OR NOT RESPONDENT-APPLICANT’S MARK “WINNSBORO” IS CONFUSINGLY SIMILAR TO OPPOSER’S REGISTERED TRADEMARK “MARLBORO”.

The trademark application subject of opposition was filed during the effectivity of Republic Act No. 8293 otherwise known as the Intellectual Property Code of the Philippines. Thus, the applicable provision of law in resolving the issue involved is Sec. 123.1 (d) of R.A. 8293, which provides:

“Sec. 123. *Registrability.* – 123.1 A mark cannot be registered if it:

xxx

(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:

- (i) The same goods or services, or
- (ii) Closely related goods or services, or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

(Emphasis Ours.)

The foregoing provision of RA 8293 deduced that the law does not allow the registration of a mark which appears to resemble another registered mark if it will cause confusion or deception to the purchasing public. Hence, the determining factor is whether the use of the competing marks in connection with the goods or business will likely cause confusion.

In the case of Philippines Refining Co. Inc. vs. Ng Sam (115 SCRA 476) the Supreme Court explicitly stated, to wit:

“x x x registration of a trademark which so resembles another already registered or in use should be denied, where to allow such registration would likely result in confusion, mistake or deception to the consumers. Conversely where no confusion is likely to arise, as in this case, registration of a similar or even identical mark may be allowed.” (Emphasis Ours.)

It is worthy of note that in ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set of rules can be deduced. Each case must be decided on its own merits. In Esso Standard, Inc vs. Court of Appeals 116 SCRA 336, the Supreme Court ruled that the likelihood of confusion is a relative concept; to be determined only according to the particular, and sometimes peculiar, circumstances of each case.” (Societe Des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, April, 2001)

Equally worthy of observation is the case of Emerald Garments vs. Court of Appeals (251 SCRA 614), which pronounced that:

“In determining whether a particular name or mark is a “colorable imitation” of another, no all-embracing rule seems possible in view of the great number of factors which must necessarily be considered in resolving this question of fact, such as the class of product or business to which the article belongs; the product’s quality, quantity, or size including its wrapper or container; the dominant color, style, size, form, meaning of letters, words, designs and emblems used; the nature of the package, wrapper or container, the character of the product’s purchasers; location of the business; the likelihood of deception or the mark or name’s tendency to confuse; etc.”

Applying the foregoing tenets to the present controversy and taking into account the factual circumstances of this case, this Office finds no confusing similarity between opposer’s “MARLBORO” and respondent-applicant’s “WINNSBORO”.

It is an inescapable conclusion that the goods of the two parties connected with their respective trademarks are similar, both failing under class 34 as cigarettes. They serve the same purpose and flow through the same channel of trade. Hence, they are competing goods.

However, this finding of similarity or relatedness between the parties’ goods is not sufficient to establish likelihood of confusion. As previously enunciated, the questioned to be determined is not whether the actual goods are likely to be confused but, rather, whether there is a likelihood of confusion as to the source of the goods because of the marks used thereon.

Admittedly, the examination of the mark “MARLBORO” and “WINNSBORO” in their entreties, reveals a number of similarities in spelling and fonts. Both marks are composed of three syllables each and ending in “boro”, effecting the same cadence when spoken. The font and style of both marks appears similar. The difference however, lies in the first syllable of opposer’s “marl” and respondent-applicant’s “winns” producing dissimilarity in the beginning

sound, causing its remarkable distinction. Moreover, both marks are whimsical and capricious coined marks with no known meaning or connotation.

For further scrutiny, the competing marks as appearing in their respective labels are hereby reproduced, to wit:

Opposer's Mark (Exhibit "B")

Respondent-Applicant's Mark (Exhibit "C")

A practical approach to the problem of similarity and dissimilarity is to go into the whole of the two trademarks pictured in the manner of display. Inspection should be undertaken from the viewpoint of prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of the trademark said to be infringed (87 C.J.S., pp. 290-291).

In this light, confusion is likely between trademarks only if their over-all presentations are such as would lead the purchasing public into believing that the products to which the marks are applied emanated from the same source.

In the instant case, cigarette buyers and even non-users of cigarettes in the Philippines are very much aware of cigarette brands, particularly Marlboro brand. Even young children tasked to purchase cigarettes from a store is conscious of cigarette brands, since cigarette smoking is the favorite past time and habit of most Filipino male and female, from different ages. In fact, this Office coheres with the argument of respondent-applicant that a smoker attuned to the taste of a Marlboro cigarette, upon presentation of a different cigarette brand will more likely decline other brands. Marlboro cigarette has created its name distinctly from other cigarette brands.

Having considered all the evidence on record, we find that the dissimilarities in sound and meaning between "MARLBORO" and "WINNSBORO" outweigh the similarities in general, such that the overall commercial impression conveyed by the two marks suggest no likelihood of confusion. This Office finds that the relevant public are unlikely to confuse "MARLBORO" and "WINNSBORO".

IN VIEW THEREOF, the Opposition to the registration of the trademark "WINNSBORO" is hereby DENIED. Accordingly, trademark application serial no. 4-2004-007074 for the registration of the trademark "WINNSBORO" used on cigarettes under class 34 filed on 06 August 2004 in the name of ASSOCIATED ANGLO-AMERICAN TOBACCO CORPORATION is hereby GIVEN DUE COURSE.

Let the filewrapper of the trademark WINNSBORO, 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, 9 January 2007.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs