

RECOT, INC.	}	INTER PARTES CASE NO.
Opposer,	}	14-1999-00021
	}	
	}	Opposition to:
-versus-	}	Serial No. : 101406
	}	Date Filed : 7-14-95
	}	Trademark : "D'RITOS"
	}	
WILLIAM LIM,	}	
Respondent-Applicant.	}	Decision No. 2002 – 12
x-----x		

DECISION

This is an opposition filed on July 7, 1999 by RECOT, INC., a corporation organized and existing under the laws of the State of Delaware, united States of America with principal office located at P.O. Box 35034, Exchange Bank Building, Dallas, Texas, 75235, United States of America, in the matter of the application for registration of the trademark "D'RITOS" for corn chips filed on July 14, 1995 bearing Serial No. 101406 which was published for opposition on page 86, Volume 1, No. 6 of the Intellectual Property Office Official Gazette, which was released for circulation on March 27, 1999.

The herein Respondent-Applicant is WILLIAM LIM, Filipino citizen doing business under W.L. Foods located at Furong Street, Punturin, Valenzuela, Metro Manila.

The grounds for opposition are as follows:

- "1. Opposer is the registered owner of the trademark DORITOS covering the goods-corn chips, potato chips, tortilla chips, pretzels and nut meats under U.S. Certificate of Registration No. 792,667, issued on July 13, 1965 and renewed on July 13, 1985, and for goods covering crackers in Class 30 and for clothing, namely: sweatshirts, shirts and fleece pants and bottoms in Class 25 under U.S. Certificate of Registration No. 1,777,351 issued on June 15, 1993 and No. 1,528,248 issued on March 17, 1989.
- "2. Opposer's sister company. FRITO-LAY, INC., has previously registered the trademark DORITOS covering the same goods with the Philippine Bureau of Patents, Trademark and Technology Transfer under Certificate of Registration No. 40059 issued on July 22, 1988, which registration expired due to failure to file the required affidavit if use or non-use. Opposer has since applied for the re-registration of the trademark DORITOS with the Philippine Intellectual Property Office under Application Serial No. 97595-PN filed on November 14, 1994 and the trademark DORITOS and DESIGN under Application Serial No. 113652 filed on September 5, 1996.
- "3. Opposer first used and adopted the trademark DORITOS as early as September 1, 1961.
- "4. Opposer has widely used the trademark DORITOS throughout the world, including the Philippines and the same is widely known around the world to be exclusively owned by the Opposer. Hence, registration of the mark D'RITOS in the name of Respondent-

Applicant is contrary to the clear provisions of Article 6bis of the Paris Convention for the Protection of Industrial Property of which the Philippines is a signatory and which is being enforced in this jurisdiction by virtue of the Memorandum of the then Minister of Trade dated November 20, 1980 and October, 1983 directing the Director of Patents to cancel and/or reject/refuse all unauthorized registration of world famous marks, and by virtue of Section 123 (d), (e) and (f) of the Intellectual Property Code (R.A. No. 8293).

- “5. The Respondent-Applicant’s mark D’RITOS is confusingly similar to the mark DORITOS owned by Opposer and for the same snack food products and closely related goods, as to be likely, when applied to or used in connection with respondent-applicant’s corn ships, to cause confusion or mistake and deceive the public or may be mistaken in thinking that the corn chips of Respondent-Applicant is the same or is owned by Opposer. Thus, the application for registration of the mark D’RITOS in the name of Respondent-Applicant should not have been given due course and be refused registration as mandated by Section 123 of Republic Act No. 8293 or the Intellectual Property Code of the Philippines.
- “6. The registration of the mark D’RITOS in the name of Respondent-Applicant will cause grave and irreparable injury and damage to the Opposer within the meaning of Section 134 of R.A. No. 8293.

A Notice to Answer was sent to the Respondent-Applicant through registered mail with return card on August 17, 1999, which has been duly received on August 24, 1999 and despite receipt thereof no answer has been filed.

On January 27, 2000, Opposer through counsel filed a Motion to Declare Respondent-Applicant in Default for failure to file an Answer which was GRANTED (Order No. 2000-93) dated 4 February 2000.

Pursuant to the Order of Default, Opposer presented its evidence consisting of exhibits “A” to “F”, “I” to “L” and “M” inclusive of sub-markings (Order No. 2001-452) dated 3 August 2001.

On November 29, 2001, Opposer submitted its Memorandum arguing that it is the registered owner of the trademark “DORITOS” covering the goods – corn chips, potato ships, tortilla chips, pretzels and nut meal under United States Certificate of Registration No. 792,667 issued on July 13, 1965. Further, its sister company, “FRITO-LAY, INC.” has previously registered the trademark “DORITOS” covering the same goods with the Bureau of Patents, Trademarks and Technology Transfer under Certificate of Registration No. 40059 issued on July 22, 1988, which registration expired due to failure to file the required affidavit of use or non-use. However, Opposer has since applied for the re-registration of the trademark “DORITOS” with the Intellectual Property Office (IPO) on November 14, 1994 bearing Serial No. 97595-PN and the trademark “DORITOS & DESIGN” on September 5, 1996 bearing Serial No. 113652.

The issues to be resolved in these proceedings are as follows:

- 1) WHETHER OR NOT RESPONDENT-APPLICANT’S TRADEMARK “D’RITOS” IS CONFUSINGLY SIMILAR WITH OPPOSER’S TRADEMARK “DORITOS”.
- 2) WHETHER OR NOT RESPONDENT IS ENTITLED TO USE AND REGISTER THE MARK “D’RITOS” FOR CORN CHIPS.

The applicable law is Sec. 4(d) of Republic Act No. 166, as amended which provides:

“SECTION 4. Registration of trademarks, trade-names, and service marks on the principal register. There is hereby established a register of trademarks, trade-names and service marks which shall be known as the principal register. The owner of the trademark, trade name or service marks used to distinguish his goods, business or services of others shall have the right to register the same on the principal register, unless it:

xxx

- (d) Consists of or comprises a mark or trade name which so resembles a mark or 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.”

A cursory review of the documentary Exhibits, Exhibits “F”, “L” and the actual labels submitted by the Respondent-Applicant both trademarks contain the same six letters as follows: Letters “D”, “R”, “I”, “T”, “O”, “S”. The competing trademarks differ only with the presence of the letter “O” following the first letter “D” in Opposer’s mark. However, when the two marks are pronounced, they are almost the same, if not identical.

In short, the two marks contain the same letters, the only difference being that the Opposer has seven (7) letters while the Respondent-Applicant has six (6) letters. Nevertheless when pronounced, they are almost the same if not identical.

A practical approach to the problem of the similarity or dissimilarity is to go into the whole of the two trademarks pictures in their manner or display. Inspection should be undertaken from the viewpoint of the prospective buyer. The trademark complained of should be compared and contrasted with the purchaser’s memory (not in juxta position) of the trade mark said to be infringed (87 C.J.S., pp. 288-291) some such factors as sound; appearance; for, style, shape, size or format; color; ideas; connoted by the marks; the meaning, spelling, and pronunciation of the words used; and the setting in which the words appear” may be considered, (87 C.J.S., pp. 291-292). For indeed, trademark infringement is a form of unfair competition. (Clarke vs. Manila Candy Co., 36 Phil. 100, 106; Co Tiong Sa vs. Director of Patents, 95 Phil, 1, 4)

Confusion is likely between trademarks of their over-all presentation in any of the particulars of sound, appearance, or meaning 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 Philippine Nut Industry, Inc. vs. Standard Brands, Inc., 65 SCRA 575, the Court held that –

“In cases involving infringement of trademark brought before the Court, it has been consistently held that there is infringement of trademark when the use of the mark involved would be likely to cause confusion or mistake in the mind of the public or to deceive purchasers as to the origin or source of the commodity; that whether or not a trademark causes confusion and is likely to deceive the public is a question of fact which is to be resolved by applying the “test of dominancy”, meaning if the competing trademarks contain the main or essential or dominant features of another by reason of which confusion and deception are likely to result, then infringement, a similarity in the dominant features of the trademark would be sufficient.”

Moreover, the records show that the Respondent-Applicant is using the mark D'RITOS on corn chips which is similar to Opposer's DORITOS used on goods such as corn chips, potato chips, tortilla chips, pretzels and nutmeats, among others.

In *Operators, Inc. vs. Director of Patents (L-17901)* it was held that considering the similarity in APPEARANCE and SOUND between the marks, "AMBISCO" for candy products was found to be confusingly similar with "NABISCO" for bakery products. Based on the foregoing, it is clear that Respondent-Applicant mark "D'RITOS" would cause confusion or mistake, or deceive purchasers that its products are those of the Opposer.

It is to be noted that the mark "DORITOS" has been registered in the United States of America under Registration Nos. 792667, 1528348 and 1777351 in the name of herein Opposer during the years 1964, 1989 and 1991 as testified to by "KELLY MAHON FULLIER" as shown in paragraph 6 of Exhibit "A", which fact has not been rebutted by the Respondent-Applicant. On the other hand the date of first use as stated in applicant's trademark application is January 5, 1994 which date is almost fifty (50) years later than the date of registration of the Opposer's mark.

Under the circumstances above-mentioned, there is no iota of doubt that the Opposer is the PRIOR adopter or user of the mark "DORITOS" and that the mark D'RITOS of Respondent-Applicant is confusingly similar to Opposer's mark DORITOS.

It may also be stated that Respondent-Applicant exerted no effort to defend its right in the case. In fact, he failed to file his Answer, hence he was declared as IN DEFAULT.

The Supreme Court in *DELBROS HOTEL CORP., vs. Intermediate Appellate Court*, (159 SCRA 533,534) held that:

"Fundamentally, default orders are taken on the legal presumption that in failing to file an Answer the Defendant does not oppose the allegations and relief demanded in the complaint."

Indeed, this Office cannot but notice the lack of concern the Respondent-Applicant had shown in protecting his mark which is contrary to the norm that: "A person takes ordinary care of his concern" (Sec. 3(d) Rule 131 of the Rules of Court).

WHEREFORE, with all the foregoing, the opposition is hereby SUSTAINED. Consequently, Application bearing Serial No. 101406 for the mark "D'RITOS" filed by William Lim in July 14, 1995 is hereby REJECTED.

Let the filewrapper of this case be forwarded to the Administrative, Financial Human Resource Development Service Bureau (AFHRDSB) for appropriate action in accordance with this DECISION with a copy furnished the Bureau of Trademarks (BOT) for information and to update its records.

SO ORDERED.

Makati City, 07 June 2002.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs