

SOCIETE DES PRODUITS,  
NESTLE, S.A.,

Opposer,  
- versus -

COMPAÑIA DE PRODUCTOS,  
ALIMENOS Y SERVICIOS  
CORPORA S.A.,

Respondent-Applicant.

IPC 14-2006-00136

Opposition to:  
TM Application No. 4-1996-109084  
(Filing Date: 19 June 1996)

TM: "CAFÉ MONTERREY  
TOSTADO NATURAL LABEL"

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Decision No. 07-135

### DECISION

This is an opposition to the registration of the mark "CAFÉ MONTERREY TOSTADO NATURAL LABEL REPRESENTATION OF TWO CUPS OF COFFEE and COFFEE BEANS" bearing Application No. 4-1996-109084 filed on June 19, 1996 which application was published in the Intellectual Property Office (IPO) E-Gazette which was officially released on May 25, 2006.

The opposer in the instant opposition is "SOCIETE DES PRODUITS NESTLE S.A.," a corporation duly formed under the law of Switzerland with business address at Verrey, Switzerland

On the other hand, Respondent-Applicant is "COMPANIA DE PRODUCTOS, ALIMENTOS Y SERVICIOS CORPORA S.A.," with address at Freure 321 Valparaiso Chile.

The grounds of the opposition are as follows:

- "1. The Opposer is the first to adopt and use the "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG,RED" marks for several goods among which are coffee, artificial coffee (coffee substitutes) and tea in the Philippines, and therefore is considered, under Section 2-A of Republic Act No. 166, the owner of said mark, and has the right to exclude others from registering or using an identical or confusingly similar mark such as respondent-applicant's trademark "CAFÉ MONTERREY TOSTADO NATURAL LABEL" specifically described as "REPRESENTATION OF TWO CUPS OF COFFEE AND COFFEE BEANS" for coffee and tea.
- "2. The Opposer's "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG,RED" marks are well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, as being trademarks owned by Opposer.
- "3. The "CAFÉ MONTERREY TOSTADO NATURAL LABEL" specifically described as "REPRESENTATION OF TWO CUPS OF COFFEE AND COFFEE BEANS", nearly resembles in appearance the "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" marks of the Opposer as to likely to deceive or cause confusion as contemplated under Section 4(d) of Republic Act No.166.
- "4. The Respondent-Applicant, in adopting "CAFÉ MONTERREY TOSTADO NATURAL LABEL" specially described as "REPRESENTATION OF TWO CUPS OF COFFEE AND COFFEE BEANS", for coffee, artificial coffee and tea, is likely to cause confusion or to cause mistakes, or to deceive as to the affiliation, connection or association with the Opposer, or as to origin, sponsorship, or approval of its goods by the Opposer, for

which it is liable for false designation of origin; false description of representation under Section 30 of Republic Act No. 166.

Opposer relied on the following facts to support its opposition:

- “1. The Opposer is the first to adopt and use the “MUG DEVICE”, “MUG WITH COFFEE BEANS” and “MUG, RED” marks in the Philippines.

The Opposer’s date of first use of the “MUG DEVICE”, “ MUG WITH COFFEE BEANS” and “MUG, RED” marks for several goods among which are coffee, artificial coffee (coffee substitute ) and tea in the Philippines was much earlier than the date first use of Respondent Applicant’s “CAFÉ MONTERRY TOSTADO NATURAL LABEL” for coffee, artificial coffee and tea.

According to the history of NESCAFE, upon its entry in 1963, the “Aroma Sealed” campaign was launched wherein reusable glass jars were used for packaging of the products ,as stated in first two paragraph of column (1) of the Quarterly Supplement of Nestle Family Balita, 15 June 1998,attached herein as exhibit “A”. A picture of said reusable glass jar, in the same column, show the RED MUG appearing on the label of said jar. Thus, as early as 1963, Opposer has already been using said RED MUG, surrounded by coffee beans.

The RED MUG (MUG DEVICE Mark), subject of application No. 4-2003-0004210, as it currently appears and shown in the Trademark Application Form Attached herein as Exhibits “B” to “B-3”, was first Use Submitted to the bureau of Trademarks on 12 May 2006, and attached herein as exhibit “C”.

The aforementioned date of first use is established by the filing date of Opposer’s Trademark Registration No. 033402 for NESCAFE WITH MUG & COFFEE BEANS ON JAR” trademark that was in actual use at the time of said filing. A copy of Trademark Application NO. 033402 are attached as exhibit “D”. It is appropriate to point out that the “REPRESENTATION OF TWO CUPS OF COFFEE AND COFFE BEANS” visual appearing on Applicant’s mark bears a striking similarity in shape, position and orientation to the “MUG & COFFEE ON JAR” appearing on Opposer’s Trademark Registration No. 033402.

2. The Opposer’s “MUG DEVICE”, “MUG WITH COFFEE BEANS” and “MUG, RED” marks are well-known internationally and in the Philippines.

The Opposer has also been issued registrations covering the goods under Classes 30, 10, 20, 32, 57, 58, 60 and 29 for several goods among which are coffee, artificial coffee (coffee substitute) and tea, etc., for marks “MUG DEVICE”, “MUG WITH COFFEE BEANS” and “MUG, RED” in major markets all over Europe, America, Oceania and Asia, as shown by the PROTECTION LIST, attached herein as exhibits “E” to “E-8”.

In the Philippines, as already mentioned, Opposer has filed an application for the registration of “MUG DEVICE”, as it appears on new NESCAFE labels, packages and advertisement. Sample of said; packages and advertisement are attached herein as it exhibits “F” to “F-7”.

The Opposer’s trademarks “MUG DEVICE”, "MUG WITH COFFEE BEANS" and “MUG, RED” marks have been used, promoted and advertised for a considerable duration of time and over wide geographical areas. Opposer has invested tremendous amount of resources in the promotion of its “MUG DEVICE”, “MUD WITH COFFEE BEANS” and magazines and other publication in the Philippines and around the world, media campaigns, TV advertising campaigns, etc., as shown by the video and PowerPoint presentation, in

CD ROM, submitted herewith as Exhibit "G" the print-outs of said PowerPoint presentation, attached herewith as Exhibits "G-1" to "G-15", and a foreign newspaper advertisement hereto attached as Exhibits "G-16".

The Opposer's NESCAFE products bearing "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" marks have a considerable share in the market as shown by the A/C Nielsen Homepanel data submitted herein as Exhibit "H". As shown therein, Opposer has an average of 93.2% share in the Philippine market from December 27, 2004 to March 19, 2006, whereas Respondent-Applicant has none. In fact, said NESCAFE products bearing said "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" marks have been ranked 23<sup>rd</sup>, in 2006, among top 100 Global brands by Business week, as shown by the print-out copy of the pertinent page of said magazine, downloaded from <http://bwnt.business.com/brand/2006> and attached herewith as Exhibits "I" to "I-1".

There has already been a high degree of distinction of the Opposer's trademarks "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" as early as the 80's.

As stated in the last line, last column of page 12 until the first paragraph, first column of page 13 of the 15 June 1998 Quarterly Supplement of Nestle Family Balita, already attached herein as Exhibit "J".

"Our visual design, the red NESCAFE mug on a bed of brown coffee beans, has also been our key visual since the early 80's. In fact NESCAFE can be identified even without the brand, just by this key visual," (Emphasis supplied)

Opposer's products carried under said trademarks had, through many decades, earned international acclaim, as well as the distinct reputation of high quality, and are recognized as well-known brands in several parts of the world.

"3 The "CAFÉ MONTERREY TOSTADO NATURAL LABEL", nearly resemble in appearance the "MUG DEVICE" of Opposer as to be likely to deceive or cause confusion.

The CAFÉ MONTERREY TOSTADO NATURAL LABEL comprises the word "Café MONTERREY TOSTADO NATURAL LABEL" written above two red mug filled with coffee and surrounded by coffee beans. The description of the mark reads: "Representation of Two Cups of Coffee and Coffee Beans" The colors claimed are red, brown and gold. The dominant figures in said label mark are the two red mugs filled with coffee and surrounds by coffee beans. Thus, the mark essentially comprises said two cups (mugs) with coffee and coffee beans.

The red cups (mugs), filled with coffee and surrounds by coffee beans, had long been source indicator of the goods of Opposer. As shown by the document entitled "NESCAFE CLASSIC PACKAGING EVOLUTION 1938-1989" attached herein as Exhibit "K", said red cup been used on globe, as shown by the documents attached herein as Exhibits "L" to "L-6".

The same red cup (mug) device is the subject of Opposer's Trademark Application No. 4-2003-0004210, specifically described therein as "A design feature consisting of a red-colored mug with a gold-colored lining on its top portion, filled with dark brown-colored coffee with front/foam".

The colors claimed for Opposer's mug device are also red, brown and gold. Said mug device, as appearing on the cited Nescafe labels, is surrounds also with coffee beans.

Thus, the two red cups of Respondent-Applicant may be considered as confusingly similar to Opposer's red mug device.

- "4. The use in Respondent-Applicant's trademark CAFÉ MONTERREY TOSTADO NATURAL LABEL of the RED MUG WITH COFFEE BEANS would indicate a connection between the goods covered in Opposer's trademarks "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" hence, the interests of Opposer are likely to be damaged.
- "5. In support of its allegations herein, Opposer attaches herewith the affidavits of its witnesses Sherilla Marie Daquis Bayona and Giselle Dee Fatima Tiong Dee, together with their annexes, duly marked as exhibits "N" to "N-2" and Exhibits "O" to "O-2", respectively, for the purpose of showing that the Opposer is the Owner and registrant of the "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" marks in the Philippines and into other countries, being the first to use and register said marks, which marks are used for goods similar and/or related to those of Respondent-Applicant, and to show the extent of Opposer's advertising campaign and the market share of Opposer for said products. Furthermore, the similarity of the subject marks in view of the Philippine market profiled and the goodwill of Opposer.

On February 7, 2007, Respondent-Applicant filed its verified answer to the Notice of Opposition whereby it denied all the materials allegations of the oppositions and further alleged as contained in its Answer its Special and Affirmative Defenses.

During the preliminary conference, the parties were encouraged to settle the case amicably, however, no agreement reached by the parties, instead they submitted their respective position paper after the case is considered submitted for decision.

The Opposer submitted the following as its evidence in support of its opposition:

Exhibit	Description
Exhibit "A"	A picture of reusable glass jar
Exhibit "B" to "B-3"	Trademark Application Form, list of goods Drawing of mug devices
Exhibit "C"	Declaration of Actual Use for the mark "MUG DEVICE" signed By "Neptali L. Bulilan"
Exhibit "D"	A copy of trademark Application No. 033402
Exhibit "E" to "E-8"	Protection List
Exhibit "F" to "F-7"	Samples of labels, packages and advertisements
Exhibit "G"	TV Advertisement
Exhibit "G-1" to "G-15"	Print-outs
Exhibit "G-16"	Foreign Newspaper advertisement
Exhibit "H"	A/C Nielsen Homepanel data
Exhibits "I" to "I-1"	Print-out copy of a magazine
Exhibit "J"	Supplement of Nestle Family Balita
Exhibit "K"	Document entitled "Nescafe Classic Packaging Evolution"
Exhibits "L" to "L-6"	Document Attached
Exhibit "M"	Print-out copy of the Respondent-Applicant application
Exhibits "N" to "N-2" and "O" to "O-2"	Affidavits of Opposer's witnesses and their Annexes

On the other hand, Respondent-Applicant submitted the following as its evidence  
In support of its trademark application

Exhibit	Description
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Exhibit "1"	Memorandum Circular dated August 2, 1988 By director Ignacio S. Sapalo
Exhibit "2"	Second extension of the time to file Notice of Opposition
Exhibit "3"	Certification issued by Director Estrillita Beltran-Abelardo
Exhibit "4"	Certificate Authentication
Exhibit "5"	Certificate Authentication
Exhibit "6-a"	The affidavit of Nelson Garcia – Huidobro S.
Exhibit "7" to "7-h"	Certified True copy of Certificate of Trademark Registration of Respondent-Applicant's "CAFÉ MONTERREY TOSTADO NATURAL LABEL"
Exhibit "8"	Chilean Certificate of Trademark Registration No. 632.089 for the trademark "CAFÉ MONTERREY TOSTADO NATURAL LABEL" in international Class 30 (Exhibit "7" of the First Manifestation)
Exhibit "9"	Chilean Certification of Trademark Registration No. 561.320 for the trademark "MONTERREY" in International Class 30 (Exhibit "7-A" of the First Manifestation)
Exhibit "10"	Chilean Certificate of trademark Registration No. 499.772 for the trademark "MONTERREY" in International Class 30 (Exhibit "7-B" of the First Manifestation)
Exhibit "11"	Chilean Certificate of trademark Registration No. 499.771 for trademark "MONTERREY" in International Class 30 (Exhibit "7-C" of the First Manifestation)
Exhibit "12"	Chilean Certificate of trademark Registration No. 622.629 for the trademark "MONTERREY" in International Class 30 (Exhibit "7-D" of the First Manifestation)
Exhibit "13"	Chilean Certificate Trademark Registration No. 724.447 for the trademark "CAFÉ MONTRREY TOSTADO NATURAL LABEL" in International Class 30 (Exhibit "7-E" of the First Manifestation)
Exhibit "14"	Chilean Certificate of Trademark Registration No. 98573 for the trademark "CAFÉ MONTERREY TOSTADO NATURAL LABEL" in International Class 30 ( Exhibit "7-G" of the First Manifestation)
Exhibit "15"	Chilean Certificate of Trademark Registration No.819637203 for the trademark "CAFÉ MONTERREY TOSTADO NATURAL LABEL" in International Class 30 (Exhibit "7-H" of the First Manifestation)

To be noted in this case is the fact that the trademark application being opposed was filed on June 19, 1996, or during the affectivity of the old Trademark Law (Republic Act No.166 as amended), hence, the Bureau of legal Affairs shall resolve the case under said law so as not to adversely affect rights already acquired prior to the affectivity of the new Intellectual Property Code of the Philippines (Republic Act No. 8293).

The only issue to be resolved in this case is WHETHER OR NOT RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE TRADEMARK "CAFÉ MONTERREY TOSTADO NATURAL LABELS"

The applicable provisions of the law are Section 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 trade marks, trade names and service marks which shall be known as the principal register. The owner of a trademark, trade name or service mark used to distinguish his goods, business or services of others shall have the right to register the same on the principal register, unless it:

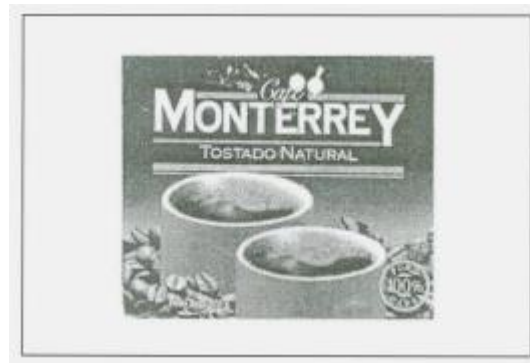
x                      x                      x

(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 a 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.”

The trademark of the respondent-Applicant is a composite one. It is composed of many components. However, the dominant feature is the word “MONTERREY”. The other components were disclaimed by the Respondent-Applicant their exclusive use, the same being not capable of exclusive appropriation. The disclaimer was duly reflected in the recommendation for allowance duly signed by the trademark examiner pursuant to paper no. 4 and the response of the applicant dated February 17, 2006.

On the other hand, the Opposer’s trademark is “MUG DEVICE” Exhibit “B” and “NESCAFE with MUG DEVICE ON JAR” Exhibit “D”.

The competing marks are reproduced below for comparison for better appreciation.



Respondent-Applicant's Mark



Opposer's Marks

A practical approach to the problem of similarity or dissimilarity is to go into the whole of the two trademarks pictured in their manner of display. Inspection should be undertaken from the viewpoint of prospective buyer. The trademark complained 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. 288-291) some such factors as sounds ; appearance ,form ,style ,shape size or format; color ,idea connoted by the marks ; the *meaning* ,*spelling* and *pronunciation* of the words used; and the setting in which word appear “ may be considered, (87C.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 Patens 95 Phil. 1, 4).

Confusion is likely between trademarks only if 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 mark are applied emanated from the same source .

In determining similarity and likelihood of confusion, jurisprudence has developed two tests: the *dominancy test* and the *holistic test*.

The dominancy test sets sight on the similarity of the prevalent features of the competing trademarks that might cause confusion and deception, thus constitutes infringement. Under this norm, the question at issue turn on whether the use of the marks involved are likely to cause confusion or mistake in the mind of the public or deceive purchasers.

In contrast, the holistic test entails a consideration of the entirety of the marks as applied to the products, including the packaging, in determining confusing similarity.

Applying the dominancy test, the Bureau of Legal Affairs finds that Respondent-Applicant's mark will not result in likelihood of confusion contrary to the claim of the Opposer. From the evidence on record, it is very clear and no iota of doubt that the dominant feature of the Respondent-Applicant's mark is the word "MONTERREY" which have been printed in a very clear lettering. It is worthy to be emphasized that all the other components therein were all disclaimed by the Respondent-Applicant as to their exclusive use, as reflected in the recommendation for allowance duly signed by the trademark examiner, for not being capable of exclusive appropriation, hence what is left which is capable of exclusive appropriation is the word "MONTERREY" which have been printed in a very clear lettering. It is worthy to be emphasized that all other components therein were all disclaimed by the Respondents-Applicant as to their exclusive use, as reflected in the recommendation for allowance duly signed by the trademark examiner, for not being capable of exclusive appropriation, hence what is left which is capable of exclusive appropriation is the word MONTERREY.

The word "MONTERREY" standing alone, reveals that no similarity exist to that of the Opposer's mark " NESCAFE WITH MUG DEVICE ON JAR" as shown in Exhibit "D".

The Opposer's mark consists of the word "NESCAFE" printed in the middle of the bottle/jar and below is the "MUG DEVICE" appearing in a small size. It appears therefore that the dominant feature of the Opposer's mark is the word "NESCAFE".

Now, comparing the two dominant feature of the competing trademark "NESCAFE" for the Opposer and "MONTERREY" for the Respondent-Applicant, the Bureau of Legal Affairs find that no confusing similarity exist between the two, considering that both differ in spelling, meaning, pronunciation as well as in composition of letters. The striking dissimilarities are significant enough to warn any purchaser that one is different from the other. In the over-all presentation of the competing trademarks, the dissimilarities are very obvious. In the Respondent-Applicant mark, the word "MONTERREY" is predominantly shown and clearly written and below is the representation of *two cups* and probably containing a coffee. On the other hand, in Opposer's mark, the word "NESCAFE" is predominantly shown and clearly written and below is a small size cup and likewise, probably containing a coffee. Based on the general appearance of the two marks as shown in their respective labels the possibility of confusion is remote. The chances of being confused into purchasing one for the other are therefore all the more rendered negligible.

Earlier rulings o the supreme Court indicated reliance on the dominancy test or the assessment of the essential or dominant features in the competing labels to determine whether they are confusingly similar or cause the public to mistake one for another .Even their similarity in *sound* is taken into consideration, where the marks refer to the merchandise of the same descriptive properties, for the reason that trade *idem sonans* constitutes a violation of trademark.

In case at bar, the word "MONTERREY" and "NESCAFE" printed prominently on both labels of the contenting marks easily attracts and catches the eye of the ordinary consumer and those are the words and none other that sticks in his mind when he thinks of "coffee".

With respect to trademark application of the Opposer, Serial No. 4-2003-0004210 filed on May 12, 2003 for the mark "MUG DIVICE" this application has been filed seven (7) years after the Respondent-Application's trademark application was filed on 19 June 1986. It is very clear that it cannot bar the subject trademark application pursuant to Section 4 (d) of Republic Act No. 166, as amended.

As to the Declaration of Actual Use filed relative thereto by the attorney for the Opposer, the same is contrary to Section 124.2 of the Intellectual Property Code of the Philippines (Republic Act No. 8293) which provides:

*Section 124.2. The applicant or the registrant shall file a declaration of actual use of the mark with evidences to that effect, as prescribe by the Regulators within three (3) years from filing date of application. Otherwise, the Application shall be refuse or the mark shall be removed from the Register by the Director."*

In the implementation of said provision of law, Rules 204 and 205 of the Rules on Trademarks, Service marks, Trade names and Marked on stamped container restively provides (Trademarks Rules):

"The Office will not require any proof of used in commerce in the processing of trademark application. However, without need of any notice from the office, all applicants or registrants shall file a declaration of actual use of mark with evidence to that effect, within three (3) years, without possibility of extension, from the filing date of the application. Otherwise the application shall be removed from the register by the Director motu proprio"

The declaration shall be under oath, must refer only one application or registration, must contain the name and address of the applicant or registrant declaring that the mark is in actual use in the Philippines, list goods where the mark is attached, list the names and exact locations of the outlet or outlets where the products are being sold or where the services are being rendered, recite sufficient facts to show that the mark described in the application or registration is being actually used in the Philippines and specifying the nature such use. The declarant shall attach five labels actual use on the goods or the feature of stamped or marked container visibly and legibly showing the mark as well as proof of payments of the prescribed fee.

It appears that not with standing the apparent defect of the Declaration of Actual Use filed, such as the applicant or the registrant shall file the same Section 124.2 of the Intellectual Property Code of the Philippines, the Application was not REFUSED by the Director of Bureau of Trademarks. Such declaration thus was accorded presumption of the regularity until and unless the Director of Bureau of Trademarks refuses the registration of the application based on the merits or sufficiency of Declaration of Actual Use.

It is to be noted that as ruled by the Director General, it is within the discretion and the jurisdiction of the Director of bureau of trademarks not the Director of bureau of Legal Affairs to pass upon the merits or sufficiency of a declaration of actual use. The Director of Bureau of Legal Affairs may not delve into, either the merits or sufficiency of the declaration of actual use and the Director referred to in Section 124.2 of the Intellectual Property Code of the Philippines and Rule 204 of the trademarks rules refers to the trademarks Directors, not the Legal Affairs Director. This was clearly spelled out by the Director General in his decision in an appeal from the Legal Affairs Director's Order in the case of "Technogas S.P.A vs. Technogas (Phil) Manufacturing Corp., (Appeal No. 14-06-01).



Records further reveal that the mark "NESCAFE WITH MUG DEVICE ON JAR" was filed for its registration with the Philippines Patent Office on April 17, 1980 based on Section 37 of Republic Act No. 116, as amended (Exhibit "D") based on this Home registration or the registration in the country of origin, Switzerland, bearing Registration No. 301244, which was issued on June 19, 1979. The application matured to Certificate of Registration No. 33402 issued on July 3, 1984.

Considering that application was filed and base on the home registration section 37 of Republic Act No.166, as amended used in commerce in the Philippines was not a requirement.

Finally, it is worthy to emphasize that the "MUG DEVICE" is merely a component of the Opposer's mark "NESCAFE WITH MUG DEVICE ON JAR" which was covered by Trademark Registration No. 33402 issued on July 3, 1984. (Exhibit "D")

As to the claim of the Opposer that the "MUG DEVICE", "MUG WITH COFFEE BEANS" and "MUG, RED" are well-known internationally and in the Philippines, the Bureau of Legal Affairs does not agree. The said mark is not of those mentioned as considered internationally well-known marks under the Memorandum of the then Minister of Trade Honorable Luis R. Villafuerte dated 20 November 1980.

It is also observed ,based on the evidence obtaining in this case that the mark" MUG DEVICE" is always shown and accompanied by the mark "NESCAFE" and not being shown alone or by itself .this is the clear indication that the same is but a mere component of the mark of the Opposer "NESCAFE WITH MUG DEVICE ON JAR" bearing registration No. 33402(Exhibit "D") in television advertisement ,what is being heard is the announcement of the word "NESCAFE" even though the "MUG DEVISE" is likewise shown . In short when we say "COFFEE" it is the brand 'NESCAFE" that sticks in the mind of purchasers not the "MUG DEVICE" the word NESCAFE" is what identifies the coffee contained in the labels and jars marked "NESCAFE" with MUG DEVICE.

It seems clear that the words "MONTERREY" and "NESCAFE" are dominant features of the trade marks in question. The Opposer has not established such a substantial similarity between the two trademarks in question as to warrant the opposition of the trademark of the Respondent-applicant. To reiterate, the words"MONTERREY" and "NESCAFE" are not similar in spelling and do not have similar sound when pronounced. Even the cups designs of the Respondent-Applicant is composed of two cups half body, while that of the Opposer is one whole mug device. Even an illiterate person can see the difference between the two designs.

Moreover it is very seldom that when a purchaser buys coffee in any store, that he asks the sales people "DO YOU HAVE MUG DEVICE COFFEE? The sales people understand what you're saying,

WHEREFORE, premises considered, the instant Opposition is, as it is hereby DENIED. Consequently, trademark application bearing No. 4-1996 109084 for the registration of the mark "CAFÉ MONTERREY TOSTADO NATURAL LABEL" filed on June 19, 1996, is hereby GIVEN DUE COURSE.

Let the file paper of the trademark "CAFÉ MONTERREY TOSTADO NATURAL LABEL" 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, 27 September 2007.

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