

VIRGIN ENTERPRISES LIMITED,
Opposer,

- versus -

FEDERICO P. CAMPOS III,
Respondent-Applicant.

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IPC NO. 14-2007-00250
Case Filed: 31 August 2007
Opposition to:
Appl. Serial No. 4-2006-005986
Date filed: 06 June 2006
TM: "VIRGIN BEACH
RESORT AND DEVICE"

Decision No.: 08-169

DECISION

For resolution is an Opposition filed by Virgin Enterprises Limited, a corporation duly organized under the laws of England and Wales, with registered address at 120 Campden Hill Road, London W8 7AR, England, against the application for registration of the trademark VIRGIN BEACH RESORT AND DEVICE for the following services:

41	<i>Beach Resort, Golf Courses, Tennis and Pelota Courts, Swimming Pools and other Sports and Recreation Facilities</i>
43	<i>Restaurants, Hotels</i>

with Application Serial No. 4-2006005986 and filed on 06 June 2006 in the name of Respondent-Applicant, Federico P. Campos III with stated address at Penthouse La Paz Centre, Salcedo cor. V.A. Rufino Sts., Legaspi Village, Makati City.

Grounds for Opposition

Opposer filed the instant Opposition based on the following grounds:

"1. Opposer is a member of a group of companies collectively known as the Virgin Group of Companies ("the Virgin Group"). The Virgin Group was originally established by Sir Richard Branson on 1970 when he started a business selling popular music records by mail order. To date, the Virgin Group is one of United Kingdom's largest private corporate groups, including around 200 companies, employing over 40,000 staff, operating in 72 countries, and has traded under the name "VIRGIN" since 1970.

"2. Opposer is the company designated to hold trademarks and is the registered proprietor of all the trademarks used by the Virgin Group. Opposer first registered the name "VIRGIN" in the United Kingdom on 1 April 1973 under number 1005934 in Class 9 with respect to "sound recordings in the form of discs", which has been continuously used to date. Opposer also registered a stylized form of the "VIRGIN" mark, which is known as the "Virgin Signature".

"2.1 Attached herewith and made an integral part hereof as Exhibit "A" is the Affidavit of Mr. Neil Hobbs, who holds the position of Intellectual Property Lawyer with the Opposer. In his Affidavit, Mr. Hobbs attests to the truth of following allegations, specifically the background information on the Virgin Group of Companies, and the Opposer's ownership of the "VIRGIN" and "Virgin Signature" trademarks as well as the worldwide use of the aforementioned marks by the Opposer.

"3. Opposer is currently the owner and proprietor of about 2,500 trademark applications and registrations incorporating the name "VIRGIN" and/or the "Virgin

Signatures” in the United Kingdom as well as in other countries around the world including the following:

United Kingdom	United States of America
Philippines	South Africa
New Zealand	Hong Kong
People’s Republic of China	European Community
Republic of China	Japan
Germany	India
France	Spain
Switzerland	Peru
Ethiopia	Australia
Malaysia	Singapore
Argentina	Brazil

“4. The various Virgin Group brands whose trademarks are registered all over the world are as follows:

Virgin Records	Virgin Megastore
Virgin Films	Virgin Music Channel
Virgin Atlantic Airways	Virgin Drinks
Virgin Holidays	Virgin Hotel Group
Virgin Balloon Flights	Virgin Publishing
Virgin Books	Virgin Radio
Virgin Cola	Virgin Vmix
Virgin Juice	Virgin Ginger Beer
Virgin Colours	Virgin Vodka
Virgin Ooze	Virgin NT
Virgin Clothing	Virgin Ware
Virgin Wine	Virgin Trains
Virgin Money	Virgin Brides
Virgin Net	Virgin.com
Virgin Active Health Clubs	Virgin Vie
Virgin Vie At Home	Virgin Spa
Virgin Jewellery	Virgin Express
Virgin Mobile UK	Virgin Festival
Virgin Cinemas	Virgin Active Mark
Virgin Cars	Virgin Galactic
Radio Free Virgin	Virgin Games
Virgin Unite	Virgin Comics
Virgin Limobike	Virgin Casino

“4.1. Hereto attached as Exhibit “NH3” of Exhibit “A” and made an integral part hereof is an index of a selection of the “Virgin” and/or “Virgin Signature” trademark applications and registrations throughout the world.

“5. There are currently 86 United Kingdom registrations for the word “VIRGIN” and/or “Virgin signature” in Classes 3, 5, 9, 11, 12, 14, 16, 18, 19, 20, 25, 26, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44 and 45. These applications and registrations extend to goods and services including, but not limited to cosmetics, clothing, headwear and footwear, articles of leather or leather imitation, luggage, bags, wallets, purses, briefcases, holiday/vacation services, travel services, banking services, airline services, health club services, beauty services, alcoholic and non-alcoholic drinks, telecommunications,

apparatus and related services, sound and video recordings, entertainment services, broadcasting services, printed matter and provision of food and drink.

“6. Most of Opposer’s licensees are trading companies whose names begin with the name “Virgin” followed by a descriptor denoting the goods or services offered by that particular company. Examples of companies whose names begin in this way include Virgin Entertainment Asia Limited, Virgin Entertainment Global Limited, Virgin Entertainment Euro Limited, Virgin Entertainment Holdings Inc., Virgin Entertainment Group Inc., Virgin Drinks Group Limited, Virgin Wine (Online) Limited, Virgin Rail Group Limited, Virgin Money Group Limited, Virgin Retail Group Limited, Virgin Hotels Group Limited, Virgin Net Limited, Virgin Books Limited, Virgin Mobile Telecoms Limited, Virgin Active Limited, Virgin Brides Limited, Virgin Atlantic Airways Limited and Virgin Holidays Limited.

“6.1. A schedule of companies either within the Virgin Group or licensee of VEL, using the name under license, is exhibited hereto marked “NH8” of Annex A.

“7. In the Philippines, VEL is the owner of the following trademark applications and registrations, which incorporate the word “VIRGIN”:

Trademark	Registration No.	Classes	Status
VIRGIN	4-2000-006935	09	Registered
VIRGIN	4-2001-008382	18, 25	Pending
VIRGIN	4-2000-008016	32	Registered
VIRGIN	4-1995-102674	33	Registered
VIRGIN	4-2000-005332	38	Registered
	4-2006-002764	9, 38	Pending
	4-1995-102673	33	Registered
	4-2000-008015	32	Pending
	4-1997-124590	03	Registered
	4-2007-004885	33	Pending
VIRGIN		39	Pending
		39	Pending

“7.1. Exhibit “NH6” of Exhibit “A” contains details of the aforementioned trademark registrations.

“8. The Virgin Group is also active in the drinks industry. The Virgin Drinks Company Limited (“Virgin Drinks”) produced and distributed drinks under the “VIRGIN” name in the United Kingdom and to a number of markets around the world, including the Philippines, the Virgin Drinks partner in the Philippines is Interbev, which is part of Asia Breweries, Inc. Beverages on sale in the Philippines include “VIRGIN COLOURS” and “VIRGIN COLA”.

“9. “Virgin Holidays Limited was formed in 1985 and began to offer package holidays to prime destinations in conjunction with the scheduled services of Virgin Atlantic Airways. Virgin Holidays Limited now provide holidays to destinations throughout the United States, the Caribbean (Barbados, Antigua, St. Lucia, Tobago, Grenada, Jamaica, Cuba, St. Martin, St Kitts, St Thomas, Turks & Caicos, British Virgin Islands, Bahamas); Central America (Costa Rica, Panama); Far East (Vietnam, Singapore, Bali, Hong Kong, China, Japan, Thailand,

Malaysia); Mauritius; Seychelles; Maldives; Sri Lanka; India; Mexico; Australia; New Zealand; Canada; South Africa; Fiji; Tahiti and Bora Bora; Cook Island; United Arab Emirates.

“10. In excess of 150,000 holidays are sold each year by Virgin Holidays. At Least count there were 225,000 members of the Virgin Holiday loyalty club. In 2007, the company is expected to carry more than 400,000 passengers. Virgin Holidays has become one of the largest and most successful transatlantic tour operators in the UK holding the position of market leader in holidays to Florida, the USA and the Caribbean.

“10.1. Exhibited hereto marked “NH17” of Annex “A” are extracts taken from www.virginholidays.com providing details of the range of holiday destinations available. Also exhibited at “NH17” Annex “A” are copies of extracts from a small selection of holiday brochures.

“11. In addition to the aforesaid, Virgin Hotel Group, another member of the Virgin Group, specializes in providing luxury accommodations in exotic destinations under the name “Limited Edition by Virgin”. Destinations include Necker Island in the British Virgin Islands, Ulusaba Game Reserve in South Africa and Kasbah Tamadot in Morocco. It also owns and manages the Roof Gardens nightclub and Babylon restaurant in London.

“12. Goods and services covered by the “VRIGIN” trademarks have appeared in major newspapers, magazines and periodicals not only in the United Kingdom but also throughout the world. Many foreign newspapers around the world also feature stories about the Virgin Group and its products, services and activities on a regular basis. The Virgin Group and its well-known founder, Sir Richard Branson, appear regularly in news broadcasts on radio, television, or other media all over the world. Consequently, public recognition of the Virgin trademarks, the Virgin Group and Sir Richard Branson is at an extraordinarily high level world-wide. It is highly likely that Sir Richard Branson and the companies of the Virgin Group are among the most well-known personalities and companies in the world. A search on the Internet combining the terms “Richard Branson” and “VIRGIN” locates more than 1.3 million hits. This is mere fraction of the references to the Virgin Group appearing on the Internet for which there are more than 46 million references.

“13. All types of media are used by the Virgin Group within the markets in which they operate, to promote goods and service. Estimated world-wide expenditure by the Virgin Group on the advertisement and promotion of products bearing or carrying the Virgin trademarks in 2001 amounted to UKL 203.52 million or around Php 20.352 billion.

“14. Opposer is rigorous in acting against companies or enterprises which seek to exploit or take advantage of the goodwill established in the “VIRGIN” mark, by infringing any of the Virgin trademarks or passing themselves or their businesses off as being somehow part of or connected with the Virgin Group. In addition to using a trademark watch service to check for conflicting trademark applications all over the world, Opposer also uses its own in-house company search service to check for new UK incorporations under the “VIRGIN” name. Opposer filed oppositions, revocations, cancellation and infringement actions around the world on a regular basis to protect the integrity of the brand. Opposer has very strong exclusivity in the “VIRGIN” brand in the United Kingdom. Apart from marks comprising “VIRGIN” which are registered for olive oil, all of the

marks registered in the UK, which consist of VIRGIN alone or in combination with an additional word, are held by Opposer.

“15. As can be seen from the foregoing, the Opposer has clearly established its exclusive right to the “VIRGIN” trademark. It is also quite clear from the foregoing that the Opposer has over the years firmly established all over the world a distinctive method of identifying its goods and services apart from the goods and services of others, which is by affixing the word “VIRGIN” before a common word descriptive of the goods or service it is offering. Examples of the application of this method are the use of the mark as follows:

“Virgin Megastore”	Distinctly identifies the Opposer’s music and entertainment retail store
“Virgin Atlantic Airways”	Distinctly identifies the Virgin Groups’ highly popular and extremely well-known international airline service
“Virgin Cola”	Distinctly identifies the energy drinks flavored colas, iced tea, and other soft drinks produced and distributed under the “VIRGIN” name in the United Kingdom and to a number of markets around the world including the Philippines.
“Virgin Holidays”	Distinctly identified the Virgin Group’s package holidays.
“Virgin Hotels”	Distinctly identifies the Virgin Group’s provision of luxury accommodations in exotic locations

“16. Having established the widespread use of the “VIRGIN” and “Virgin Signatures” mark, it can be concluded that the “VIRGIN” and “Virgin Signatures” marks have established and obtained goodwill and general international consumer recognition as belonging to the Opposer.

“17. It is in light of the foregoing that the Opposer is opposing the Respondent-Applicant’s application for registration of the mark “VIRGIN BEACH RESORT AND DEVICE,” which is being registered under Class 41 for beach resort, golf courses, tennis and pelota courts, swimming pools and other sports and recreational facilities, and Class 43 for restaurants and hotels.

“18. As evidenced by its pending application before this Honorable Office, Respondent-Applicant intends to identify his products by using the mark “VIRGIN”. In coming up with the “VIRGIN BEACH RESORT” mark, Respondent-Applicant made use of the “VIRGIN” word internationally associated with the Opposer.

“19. Because the mark “VIRGIN BEACH RESORT” mark was developed through the Respondent-Applicant’s use of the “VIRGIN” word as well as Opposer’s method of identifying its goods, it cannot be registered since it contravenes Sections 123.1 (f) of the Intellectual Property Code (Republic Act No. 8293) which provides:

“A mark cannot be registered if it:

xxx

- (e) Is identical with or confusingly similar to, or constitutes a translation of mark which is considered by the competent

authority to be well-known internationally and in the Philippines
xxx

- (f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, That the interests of the owner of the registered mark are likely to be damaged by such use.” (Emphasis supplied).

“20. It is the intention of the above-cited provisions to protect a trademark owner and the public against the use of marks, which can create confusion with respect to business, source and origin. The law bars the registration by subsequent users of identical or similar marks due to the confusing similarity between the subject marks and the likelihood that innocent purchasers mark confuse the goods of Respondent-Applicant and Opposer to come from the same source. The law does not require actual confusion, it suffices that confusion is likely to occur in the sale of the goods or service and the adoption of both marks. Moreover, in the case of *Sta. Ana vs. Maliwat*, the Supreme Court stated.

“Modern law recognizes that the protection to which the owner of a trademarks is entitled is not limited to guarding his goods or business from actual market competition with identical or similar products of the parties, but extends to all cases in which the use of a junior appropriator of a trademark or trade name is likely to lead to a confusion of source, as where prospective purchasers would be misled into thinking that the complaining party extended into the field or is in any way connected with the activities of the infringer; or when it forestalls the normal potential expansion of his business.” (Emphasis supplied.)

“21. The rationale behind the protection afforded by Section 123.1 (f) of the Intellectual Property Code was further explained by the Supreme Court in the case of *Converse Rubber Corp. v. Universal Rubber Products, Inc.* In the said case, the Supreme Court stated:

“The similarity in the general appearance of respondent’s trademark and that of petitioner would evidently create a likelihood of confusion among the purchasing public. But even assuming, *arguendo*, that the trademark sought to be registered by respondent is distinctively dissimilar from those of the petitioner, the likelihood of confusion would still subsist, not on the purchaser’s perception of the goods but on the origins thereof. By appropriating the word ‘CONVERSE’, respondent’s products are likely to be mistaken as having been produced by the petitioner. The risk of damage is not limited to a possible confusion of goods but also includes a confusion of reputation if the public reasonably assume that the goods of the parties originated from the same source.”

“22. Similar to eth above-cited case, the Opposer firmly believes that it will be damaged by Respondent-Applicant’s use of the “VIRGINBEACH RESORT AND DEVICE” trademark since the use thereof will likely cause confusion or a mistaken belief by the public as to the origin of the said mark, that is, the public will likely confuse products with the mark, that is, the public will likely confuse products with the mark “VIRGIN BEACH RESORT AND DEVICE” as originating from the Opposer, thus, constituting a fraud upon the public and further cause the dilution of the distinctiveness of Opposer’s internationally recognized “VIRGIN”

marks to its prejudice and irreparable damage. In addition, such confusion that will be brought about by the use of the mark "VIRGIN BEACH RESORT" will also cause damage to eth reputation and goodwill that the Opposer has established with the public over the years.

"23. It has been firmly established that Opposer's trademarks are internationally well-known in the fields of travel, accommodations, and holiday services and that the "VIRGIN" marks have produced significant business in the field of holidays, holiday resorts, travel and many leisure activities. Inasmuch as the very nature of the travel and holiday business requires significant movement on the part of Opposer's clients or customers, foreign vacationers to the Philippines who have used goods and services provided by the Virgin Group around the world, particularly those who have used the Virgin Group's goods and services in the form of travel arrangements, holiday or leisure arrangements, will inevitably expect a resort named "VIRGIN BEACH RESORT" to be run and operated by the Virgin Group. Consequently, such use by Respondent-Applicant of the "VIRGIN BEACH RESORT MARK" undeniably damages the reputation that the Virgin Group has established.

"24. The "VIRGIN BEACH RESORT" mark, if allowed for registration will be incapable of delivering the promise of the "VIRGIN" mark and the user of the services will be unable to rely upon the outstanding reputation established by the Virgin Group. Any poor service or poor quality products provided by Respondent-Applicant will impact adversely upon the Virgin Group's reputation and will certainly confuse and mislead the public considering that the Opposer's trademarks are very well-known in the fields of travel, accommodation, and holiday services and the "VIRGIN" trademarks have been used exclusively in this area by developing significant business in relations to holidays, holidays resorts, travel and many leisure activities.

"25. That the "VIRGIN BEACH RESORT" mark is being registered for Classes 41 and 43 goods or services is of no moment since the protection afforded by Section 123.1 (f) extends to registration for goods or services in the Philippines which are not similar to the goods of the established and internationally known mark.

"26. In truth, the fact that Respondent-Applicant intends to use the "VIRGIN BEACH RESORT" mark for a different class of goods from Opposer's goods registered in the Philippines only serves to highlight Opposer's argument that the Respondent-Applicant deliberately sought to employ the same method being used by the Opposer to distinctly identify its goods and services, which is to affix the "VIRGIN" word to a common word descriptive of the goods or service it is offering. "Experiencing has demonstrated that when a well-known trademark is adopted by another for a totally different class of goods, it is done to get the benefit of the reputation and advertisements of the originator of said mark, to convey to the public a false impression of some supposed connection between the manufacturer of the article sold under the original mark and the new article being tendered to the public under the same or similar mark.

"27. Clearly, therefore, Respondent-Applicant's use of the word "VIRGIN" was meant to take advantage of the goodwill established by the Opposer with the public. That this is so bolstered by the fact that there can be no rational explanation for the use of the word "VIRGIN" other than to copy the distinctive method by which Opposer identifies its goods and services apart from other goods and services. As aptly stated by the Supreme Court in the case of American Wire and Cable Co. vs. Director of Patents:

“Why of the million of terms and combinations of letters and designs available, the appellee had to choose those so closely similar to another’s trademark if there was no intent to take advantage of the goodwill generated by the other mark.”

“28. Further, a denial of the registration of Respondent-Applicant’s “VIRGIN BEACH RESORT” mark is justified under Section 138 of the Intellectual Property Code, which recognizes and applies the “expansion of business” rule. The said provision affords protection to the registered owner of a mark from the use by another of a similar on the goods or services related to those specified in the certificate of registration:

“Where the product on which the junior user employed the identical mark is within the zone of potential or natural and logical operation of the senior user and said mark, the latter is entitled to be protected against such use because to rule otherwise is to forestall the normal potential expansion of his business, or to preclude him from using the same mark on such goods.”

“29. Considering that Opposer’s internationally registered Virgin Holidays and Virgin Hotels are closely related to Respondent-Applicant’s service of providing resort accommodations, the class of goods for which the “VIRGINBEACH RESORT” mark is sought to be registered is clearly within the zone of potential or natural and logical operation of the Opposer. Considering that Virgin Holidays now provides destinations in Asia such as Vietnam, Singapore, Bali, Hong Kong, China, Japan, Thailand, and Malaysia, it stands to reason that Virgin Holidays will most likely expand its services to the Philippines due to the abundance of beautiful beaches and remarkable travel destinations in the country. As such, the Opposer is clearly entitled to the protection afforded by Section 138 of the Intellectual Property Code.

“30. The reputation of the Virgin Group is not limited to any particular area or activity. The history of the Virgin Group shows that it has actively developed new products and services, expanding its market place with an ever-growing range of branded goods and services. Substantial goodwill and a world-wide reputation has accrued to the Virgin Group as a result of continuous sales, sales promotion and advertising of products bearing the Virgin Trade Marks supplied by VEL, its affiliates and Licensees over many years. In all of its new ventures, the Virgin Group relies heavily upon the substantial fame and goodwill in the VIRGIN name to rally support to each new enterprise or market place.

“31. The general public and the trade are extremely familiar with the Virgin Trade Marks throughout the world as the symbol of the high quality products and services supplied by the Virgin Group. The Virgin Trade Marks serve to distinguish and identify the products and services of VEL’s licensees exclusively. The general purchasing public and the trade associate the trademarks exclusively with Opposer.

“32. Clearly, therefore, Opposer has repeatedly shown its right to protect its ownership of the “VIRGIN” mark and should be granted protection against entities that merely wish to profit from the goodwill its trademarks have generated.

The Notice to Answer dated 11 September 2007 was sent to Respondent-Applicant directing him to file his Verified Answer to the Verified Notice of Opposition within thirty (30) days from receipt. This Bureau received Respondent’s Verified Answer on 08 February 2008.

Respondent in its Answer interposed the following:

1. "Respondent-Applicant specifically denies paragraphs 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 26, 17, 18, 19, 32, 33 and 34 of the Verified Notice of Opposition for lack of knowledge sufficient to form a belief as to the truth or falsity of the matters stated therein.
2. "Respondent-Applicant specifically denies paragraph 20 of the Verified Notice of Opposition, the truth being that Opposer's "VIRGIN" mark is not internationally well-known, and that the Respondent-Applicant never had any intention to associate the VIRGIN BEACH RESORT & DEVICE servicemark WITH THE Opposer.
3. "Respondent-Applicant specifically denies the applicability of Sections 123.1 (f) of Republic Act 8293 (the "IP Code") as alleged in paragraphs 21, 22 and 23 of the Verified Notice of Opposition, the truth being that Respondent-Applicant's VIRGIN BEACH RESORT & DEVICE is not confusingly similar to Opposer's "VIRGIN" mark as to cause confusion or mistake, or deceive the public as to the origin of the services. The interests of the Opposer will not be damaged by the registration of the VIRGIN BEACH RESORT & DEVICE mark.
4. "Respondent-Applicant specifically denies paragraph 24 of the Verified Notice of Opposition, the truth being that no grave and irreparable injury and/or damage will be caused to the Opposer by the registration of the Respondent-Applicant's "VIRGIN BEACH RESORT & DEVICE" mark since VIRGIN BEACH RESORT & DEVICE is not confusingly similar to Opposer's "VIRGIN" mark as to cause mistake or deceive the public as to the origin of the services.
5. "Respondent-Applicant specifically denies paragraph 25 of the Verified Notice of Opposition, the truth being that Opposer's "VIRGIN" is not an internationally well-known mark, and that mere use of the Opposer's VIRGIN mark in the Philippines for twelve (12) years does not establish the fame of its unrelated products (based on the earliest Philippine registration granted to the Opposer in 1995 as stated in paragraph 9 of the Verified Notice of Opposition).
6. "Respondent-Applicant specifically denies paragraph 26 of the Verified Notice of Opposition, the truth being that the registration of the Respondent-Applicant's VIRGIN BEACH RESORT & DEVICE mark will not confuse and mislead the public as the Opposer's VIRGIN is not well-known in the fields of travel, accommodation, and holiday services.
7. "Respondent-Applicant specifically denies the applicability of Sec. 123.1 (f) of the IP Code as alleged in paragraph 27 of the Verified Notice of Opposition, the truth being that the Opposer's mark is not an internationally well-known mark.
8. "Respondent-Applicant specifically denies paragraph 28 and 29 of the Verified Notice of Opposition, the truth being that the Respondent-Applicant used the word VIRGIN as part of the composite VIRGIN BEACH RESORT & DEVICE mark to appropriately describe the attributed of the resort knowing the significance of living up to the service brand image and reputation carried by its name. Attached as Exhibit "4" is the Affidavit executed by the Respondent-Applicant.
9. "Respondent-Applicant specifically denies the applicability of Section 138 of the IP Code as alleged in paragraph 30 and 31 of the Verified Notice of Opposition, the truth being that the only Philippine granted servicemarks registration for VIRGIN is for Class 38 under Registration number 4-2000-005332 which only covers "TELECOMMUNICATION SERVICES; BROADCASTING SERVICES;

PROVIDING USER ACCESS TO A GLOBAL COMPUTER NETWORK;
PROVIDING TELECOMMUNICATIONS CONNECTIONS TO A GLOBAL
COMPUTER NETWORK; TELECOMMUNICATIONS OF INFORMATION
(INCLUDING WEB PAGES), ELECTRONIC MAIL SERVICES;
TELECOMMUNICATION GATEWAY SERVICES; PROVIDING USER ACCESS
TO THE INTERNET”.

- 9.01. “The expansion of business” rule is clearly inapplicable to the instant case. The Opposer’s registered service mark is distinct and entirely different from the Respondent-Applicant’s VIRGIN BEACH RESORT & DEVICE covering “beach resort, golf courses, tennis and pelota courts, swimming pools and other sports and recreational facilities; and restaurants, hotels”, in Classes 41 and 43. It is inconceivable that the possibility of relation or likelihood of relation between these distinct services may arise. The opposer does not even have a Philippine registration, not a pending application covering services in Classes 41 and 43. Now, the opposer, a foreign corporation, swaggers into the Philippines, like a conquering Goliath and had the audacity to preclude the Respondent-Applicant from using the mark. The respondent-applicant who has diligently worked and invested for the upkeep of his mark, justice and fairness demands that opposer be prevented from stifling small budding enterprises in their modest pursuit of livelihood in their own country.
- 9.02. “Where a trademark is used by a party for a product which is beyond the first user’s zone of potential or natural and logical operation, the use of said mark by the junior user can not be validly objected to.
10. “Opposer alleges that Respondent-Applicant’s “VIRGIN BEACH RESORT & DEVICE” mark is confusingly similar to its “VIRGIN” mark. The records, however, reveal that Respondent-Applicant’s mark is visually and totally distinctive from Opposer’s mark so as to preclude any finding of confusing similarity.
11. “Comparing the appearances of the marks, the differences are immediately apparent:

Opposer’s VIRGIN SIGNATURE Applicant’s VIRGIN BEACH RESORT & DEVICE

The logo for the Opposer's VIRGIN SIGNATURE is a stylized, handwritten-style wordmark for "Virgin" in black ink. The letters are connected and have a fluid, cursive appearance.

12. “Respondent-Applicant’s mark, by itself is visually distinct, unusual and different from the Opposer’s marks.
13. “Two (2) sets are used in determining similarity and likelihood of confusion of trademark resemblance.
- 13.01. The Dominancy Test focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception.

13.02. The Holistic or Totality Test requires that the entirety of the marks in question be considered in resolving confusing similarity. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both marks in order that he may draw his conclusion whether one is confusingly similar to the other. The marks must be considered as a whole, not dissected.

13.02.1. In *Emerald Garment Manufacturing Corp. vs. Court of Appeals*, G.R. No. 100098, 251 SCRA 600, it was held that there is no confusing similarity between “STYLISTIC MR. LEE” on one hand and “LEE”, “LEE RIDERS”, “LEESURES” and “LEE LEENS” on the other hand.

14. “Applying the Dominancy Test to the instant case, the dominant feature of the Opposer’s mark is VIRGIN, whereas the Respondent-Applicant’s mark is the Representation of the Sun with triangle rays in deep yellow and the word VIRGIN. Below the VIRGIN word is the descriptive phrase “BEACH RESORT” which readily suggests what the mark represents.
15. “Applying the Totality or Holistic Test, the visual presentation above obviously shows that the marks are entirely different. The Opposer’s marks are mere wordmarks, the Respondent-Applicant’s mark is composed of words and distinct devices. Any alleged similarity is completely lost in the substantial differences in the design and general appearance of the competing marks.
16. “Thus, applying both tests to the marks in question, as to the marks actually used by the litigants in commerce, and on the basis of the marks subject of the opposition, there is no possibility or likelihood of confusion.
17. “The universal test question is whether the public is likely to be deceived. Actual or probable deception and confusion on the part of the customers by reason of defendant’s practices must always appear.
18. “The services covered by the competing marks are as follows:

Respondent-Applicant	Opposer
<p>“beach resort, golf courses, tennis and pelota courts, swimming pools and other sports and recreational facilities; and restaurants, hotels”, in Classes 41 and 43</p>	<p>Class 38 registration under Reg. No. 4-2000-5332: “telecommunication services, broadcasting services; providing user access to a global computer network; providing telecommunications connections to a global computer network; telecommunications of information (including web pages), electronic mail services; telecommunication gateway services; providing user access to the internet”</p> <p>Class 9 registration under Reg. No. 4-2000-6935: “apparatus and instruments all for recording, reproduction and/or transmitting sound and/or video information; sound and/or</p>

	<p>video recordings; sound and/or video recording media; video games; cd rom; virtual reality systems; telephonic apparatus and instruments; mobile telephones; scientific, nautical, surveying electric, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs, automatic vending machines and mechanisms for coin-operated apparatus, cash registers, calculating machines, data processing equipment and computers; fire extinguishing apparatus; apparatus and instruments, all for recording and reproducing sound and video; radio and television apparatus and instruments both for reception and transmission, aerials; sound and/or video recording; in the form of cassettes, record discs, tapes or wires; magnetic tapes for bearing sound or video recordings; cassettes, discs, compact discs; video accessories; cinematographic films; photographic slide transparencies; calculators; video games; electronic games; electronic amusement apparatus, computers, computer software; magnetic tapes for recording computer programs or data; electronically, magnetically and optically recorded data for computers; computer games; racks adapted to hold records or to hold tapes; cases, bags, holdalls, carriers and containers all adapted for carrying or for storing any of the aforesaid goods, all included in class 9, parts and fittings for all the aforesaid goods; electronic information; publications in electronic format (downloadable).</p> <p>Class 32 registration under Reg. No. 4-2000-8016: beers, water, mineral water, aerated waters, fruits juices, non-alcoholic beverages, syrups and other preparations for making beverages.</p>
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19. "There is simply no confusing a BEACH RESORT from the above-stated services/goods covered by the Opposer's registration. Of manifest importance is the absence of any application filed by the Opposer for services falling under Classes 41 and 43. They have no intention at the moment to use the mark in the Philippines but if ever they will use it for BEACH RESORT it should be available for use then.
20. "In determining likelihood of confusion as to the source of goods or services, several factors should be taken into consideration, to wit: the age, training and education of the usual purchaser, the nature and cost of the article to be purchased and the conditions under which it is usually purchased. This is the rational behind the different rulings enunciated by the Supreme Court in the landmark cases of Del Monte and Asia Brewery.
 - 20.1. In the case of Del Monte Corporation vs. Court of Appeals and Sunshine sauce Manufacturing Industries, 181 SCRA 410, the Supreme Court in resolving that confusion exists explained that: The case involved CATSUP, a common household item which is bought off the store shelves by housewives and house help who, if they are illiterate and cannot identify the product by name or brand, would very likely identify of by mere recollection of its appearance.
 - 20.2. On the other hand in Asia Brewery, Inc. vs. Court of Appeals 224 SCRA 437, the Supreme Court stated that: Our ruling in the Del Monte would not apply to beer which is not usually picked up from a store shelf but ordered by brand by the beer drinker himself from the storekeeper or waiter in a pub or restaurant. Thus, confusion is unlikely.
21. "In relation to the criteria aforementioned and sifting through the entire gamut of circumstances surrounding the Respondent-Applicant's beach resort and the Opposer's goods and services, it is apparent that the ordinary purchaser will not be misled into associating the competing marks. The "ordinary purchaser" was defined as one accustomed to buy, and therefore to some extent familiar with the goods in question. N ordinary purchaser's mind when looking for a place for holiday or vacation will conduct a diligent research of the place and the name behind the place. An ordinary purchaser would have looked for the classification/attributes of the place he wants to go to. An ordinary purchaser would have discovered that the VIRGIN BEACH RESORT of the Respondent-Applicant is a Class "A" Resort. Attached as Exhibit 5 is a certified copy of the accreditation of the Philippine Department of Tourism of the VIRGIN BEACH RESORT.
22. "Finally, confusion as to the source or services presupposes that there is actual use of the services covered by the competing marks. The Opposer does not even have a trademark application for Classes 41 and 43 much less actual use of the VIRGIN mark in the Philippines for BEACH RESORT.
23. "The directive covered by the Memorandum Circular issued by the Minister of Trade & Industry on 20 November 1980 with regard to the member countries' commitment to the Paris Convention in giving protection to world famous trademarks should only be invoked by the Opposer after it can lawfully establish that "VIRGIN" mark has indeed attained the status of an internationally well-known mark. Respondent-Applicant shall discuss below that the Opposer's "VIRGIN" is not an internationally well-known mark.

24. "Respondent-Applicant admits that indeed Article 6bis of the Paris Convention provides that the fame of a trademark may be acquired by other means and not just by actual use in local trade or commerce. However, Article 6bis of the Paris Convention also laid down the essential requirement that the trademark to be protected must be "well-known" in the country where protection is sought. The power to determine whether a trademark is well-known lies in the "competent authority of the country of registration or use". This competent authority would be either the registering authority if it has the power to decide this or the courts of the country in question if the issue comes before a court. Taking into consideration this essential requirement, there is no competent authority or court which has accorded the Opposer's "VIRGIN" mark the status of an internationally well-known mark. Respondent-Applicant expects that the Opposer will repeatedly interpose the self-serving claim without providing any competent proof to support such self-serving claim. It lies within the mandated duty of the Honorable Office now to draw a balance in protecting legitimacy and preventing abuse by multinational companies in stifling small budding enterprises in their modest pursuit of livelihood in their own country.
25. "As regards the claim of the Opposer that its VIRGIN mark became world famous stating in its own Notice of Opposition that its first registration of the mark was only sometime in 1973 at the United Kingdom (or only 35 years from this year of 2008), registration in the Philippines was only in 1995 (or a mere 12 years from this year of 2008), we therefore urge the Opposer to re-examine its assertions on whether it can rightfully claim that its "VIRGIN" mark has indeed acquired the status of an internationally well-known mark.
26. "The 25 October 1983 Memorandum issued by the Minister of Trade and Industry provides that "Whether the trademark under consideration is well-known in the Philippines entitled to the benefits of the Convention, this should be established, pursuant to Philippine Patent Office procedures in inter partes and ex parte cases, according to any of the following criteria or any combination thereof:
- (a) A declaration by the Minister of Trade and Industry that the trademark being considered is already well-known in the Philippines such that permission for its use by other than its original owner will constitute a reproduction, imitation, translation or other infringement. As stated by the Respondent-Applicant, there is no such declaration issued by any competent authority that Opposer's "VIRGIN" is considered as a well-known mark in the Philippines.
 - (b) The trademark is used in commerce internationally, supported by proof that goods bearing the trademark as sold on an international scale, advertisements, the establishment of factories, sales offices, distributorships, and the like, in different countries, including volume or other measure of international trade and commerce. Where are the certified copies of similar documents like the Declaration of Actual Use in the Philippines which will attest that the registrations for the marks were actually used in commerce internationally? Pending trademark applications and registrations do not create the presumption that there is actual use. To borrow from *Shangri-La International Hotel Management, Ltd. v. Development Group of Companies, Inc.* "A trademark is a creation of use and, therefore, actual use is a pre-requisite to exclusive ownership; registration is only an administrative confirmation of the existence of the right of ownership of the mark,

but does not perfect such right; actual use thereof is the perfecting ingredient.”

- (c) That the trademark is duly registered in the industrial property office(s) of another country or countries, taking into consideration the date of such registration. As mentioned above, the earliest registration granted to the Opposer was in 1973 only or a mere thirty five (35) years only from today’s year. Certainly, this extremely short period of time was not long enough for the Opposer’s “VIRGIN” to be accorded the status of an internationally well-known trademark like those involving such name brands as Lacoste, Fila, Gucci, Christian Dior or Calvin Klein.
 - (d) That the trademark has long been established and obtained goodwill and international consumer recognition as belonging to one owner or source. Respondent-Applicant repleads and adopts the arguments stated in the above paragraph and alleges that the Opposer’s “VIRGIN” has not been established long enough and has yet to obtain goodwill and international consumer recognition, more so in the Philippines.
27. “The IP Code is clear in its provision that “in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark. The Opposer aside from its self-serving unsupported allegations in its Notice of Opposition miserably failed to establish that their “VIRGIN” mark is well-known to the relevant sector of the public including knowledge of the relevant sector in the Philippines. Understandably this may be too difficult to maintain as the Opposer’s “VIRGIN” servicemark registration was granted only on 14 December 2003 by the IPO and covers only “Class 38 registration under Reg. No. 4-2000-5332: “telecommunication services; broadcasting services; providing user access to a global computer network; providing telecommunications connections to a global computer network; telecommunications of information (including web pages), electronic mail services; telecommunication gateway services; providing user access to the internet” and not beach resort.

“27.1 Rule 102 of the Rules of Practice in Trademark Cases further sets forth the Criteria for determining whether a mark is well-known. In the determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- a. “the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- b. “the market share, in the Philippines and in other countries, of the goods and/or services to which the mark applies;
- c. “The degree of the inherent or acquired distinction of the mark;

- d. “the quality-image or reputation acquired by the mark;
- e. ”the extent to which the mark has been registered in the world;
- f. “the exclusivity of registration attained by the mark in the world;
- g. “the extent to which the mark has been used in the world;
- h. “the exclusivity of use attained by the mark I the world;
- i. “the commercial value attributed to the mark in the world;
- j. “the record of successful protection of the rights in the mark;
- k. “the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and
- l. “the presence or absence if identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.

28. “Noticeably, among the twelve (12) enumerations in the above-stated rule, the Opposer utilized only two criteria which is (a) the duration, extent and geographical area of any use of the mark; and (e) the extent to which the mark has been registered in the world.
29. “What happened to the remaining ten (10) criteria of Rule 102? It appears that these may be too burdensome for the Opposer to allege and establish by competent proof in the Notice of Opposition. The Opposer in its Notice of Opposition stated that “Opposer is rigorous in acting against companies or enterprises which seek to exploit or take advantage of the goodwill established in the VIRGIN mark...” Does the Opposer actually ever obtained a favorable litigated case decision?
30. “How could a VIRGIN BEACH RESORT located in San Juan, Batangas damage the goodwill claimed to be established by the Opposer’s VIRGIN mark?
31. “Was there a sales decline suffered by VIRGIN CD’s and VIRGIN COLAS when the VIRGIN BEACH was flocked by Filipinos and tourists alike? Did the Opposer’s sales go down when even the Miss Earth foundation was drawn to feature the rarity of the virgin like beach in Laiya, San Juan, Batangas, Philippines? Attached as Exhibit 6 are pictures taken from the sprawling VIRGIN BEACH RESORT during the Miss Earth 2007 activities.
32. “The Respondent-Applicant had invested substantially in the construction, development and upkeep of the VIRGIN BEACH RESORT. Attached as Exhibit 7 is a copy of the Web Hosting Service Agreement with Web Dezion Internet Services. Exhibit 8 is a sample of the cost for VIRGIN BEACH RESORT signages. Exhibit 9 is a copy of the costs incurred by the Respondent-Applicant for the audiovisual presentation for the Miss Earth 2007. These are just few of the many resources that the Respondent-Applicant utilized for the VIRGIN BEACH RESORT.

33. "The VIRGIN BEACH RESORT was repeatedly featured in several travel and leisure magazines and newspapers of general circulation. Attached as Exhibit 10 is a copy of the PILMAP TRAVEL AND LEISURE magazine which did an article for VIRGIN BEACH RESORT. Also attached as Exhibit 11 is a copy of the CRUISING magazine which features the VIRGIN BEACH RESORT. Enclosed as Exhibit 12 is a copy of the Daily Tribune featured article about the VIRGIN BEACH RESORT on 17 May 2006. Also enclosed as Exhibit 13 is a copy of the Philippine Star article on 7 May 2006.
34. "The VIRGIN BEACH RESORT had television exposures as well as it has become the shooting location in 2003 and 2004 for well-known brand's television advertisements like Johnson's Modess and Penshoppe, to name a few.
35. "The VIRGIN BEACH RESORT was also featured as one of the most beautiful sceneries on the Philippines shown during the Miss Earth 2007 Coronation Night by ABS CBN Channel 2 in Manila which was replayed in 35 countries on StarWorld (largest cable television network in Asia and the Middle East) and 26 countries covered by The Filipino Channel.
36. "The name of the VIRGIN BEACH RESORT has invaded popular culture in ways never anticipated that it has become one of the most convincing selling points of the beach. Even the locals in the small town of Laiya, San Juan, Batangas boasts of the truly prideful characteristics of the beach. Attached as Exhibit 14 is a copy of the Sinumpaang Salaysay of Hukom Barangay Captain Mario Valdez Sulit.
37. "San Juan, Batangas was once a sleepy town unknown to the world. Its national treasures remained hidden from the public eye for a long time. Now, the local tourism flourished because of bold striving enterprises like the VIRGIN BEACH RESORT to showcase a place in the Philippines for all the world to see. Truly, the VIRGIN BEACH RESORT lived up to its name and as aptly observed by Mr. Justice Frankfurter in *Mishawa Mfg. Co. vs Kresge Co.*:

"The protection of trademarks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchaser goods by them. A trademark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe what he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same – to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trademark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress."

38. "A huge feat is now at hands of the Honorable Office to uphold legitimate endeavors to remain thriving in their own country and prevent abuse and oppression by rich multinational corporations.

From receipt of the Answer, a reply and a rejoinder were subsequently filed by the parties. A Preliminary Conference of the instant suit was initially held on 27 March 2008 wherein the parties manifested their desire to submit the case for mediation and requested for time. In view of the failure of mediation pursuant to Order No. 2008-973, this Bureau in Order No. 2008-1040 considered the preliminary conference deemed terminated and submitted the case for decision.

Considering that the case was mandatorily covered by the Summary Rules under Office Order No. 79, this Bureau required through their counsels to submit their respective position papers. Opposer filed its position paper on 01 August 2008 while Respondent-Applicant filed his position paper on 28 July 2008.

Attached as documentary evidence, among others, for the Respondent-Applicant are Declaration of Actual Use filed with IPO (*Exhibit "1"*); Original Brochure of VIRGIN BEACH RESORT (*Exhibit "2"*); Website Print-outs of Virgin Beach Resort (*Exhibit "3"*); Affidavit of Respondent-Applicant, Mr. Federico P. Campos (*Exhibit "4"*); Certified True Copy of the Accreditation of the Philippine Department of Tourism of the VIRGIN BEACH RESORT (*Exhibit "5"*); Pictures taken during the Miss Earth 2007 activities at VIRGIN BEACH RESORT (*Exhibit "6"*); Web Hosting Agreement (*Exhibit "7"*); Sample copy of the cost for VIRGIN BEACH RESORT signages (*Exhibit "8"*); Copy of the costs incurred by Respondent-Applicant for the audiovisual presentation for Miss Earth 2007 (*Exhibit "9"*); Copy of PILMAP TRAVEL AND LEISURE magazine (*Exhibit "10"*); Copy of the CRUSING magazine (*Exhibit "11"*); Copy of the Daily Tribune with featured article about the VIRGIN BEACH RESORT (*Exhibit "12"*); Copy of the Philippine Star article on 7 May 2006 (*Exhibit "13"*); Sinumpaang Salaysay of Hugom Barangay Captain Mario Valdez Sulit (*Exhibit "14"*).

The issues to be resolved in the instant Opposition case are:

- (a) Whether or not Respondent-Applicant's mark VIRGIN BEACH RESORT & DEVICE is confusingly similar to Opposer's VIRGIN trademarks such that Opposer will be damaged by registration of VIRGIN BEACH RESORT & DEVICE in the name of Respondent-Applicant; and
- (b) Whether or not Respondent-Applicant's trademark application for VIRGIN BEACH RESORT & DEVICE should be granted registration.

Opposer filed its application for its first trademark VIRGIN in the Philippines on 31 May 1995 and was granted registration on 21 October 2002 under a duly issued Certificate of Registration No. 41995102674. Respondent applied for the registration of the mark VIRGIN BEACH RESORT & DEVICE in the Philippines on 06 June 2006, or more than ten (10) years after Opposer filed its first Philippine trademark application for the mark VIRGIN for use on plastic bags under Class 17 and wines, spirits and liqueurs included on Class 33. Although Opposer has shown prior registration thereof, were the evidence sufficient to prove confusing similarity in both trademarks?

This Bureau finds that the issue confusing similarity can best be resolved by comparative examination or analysis of the marks in question. A comparison of Opposer's and Respondent-Applicant's marks will show that Respondent's VIRGIN BEACH RESORT & DEVICE is not confusingly similar to any of Opposer's registered VIRGIN trademarks. This Bureau reproduced Opposer's as well as Respondent-Applicant's VIRGIN marks for purposes of comparison:



VIRGIN



Opposer's Family of VIRGIN marks

Applicant's VIRGIN mark

The mark VIRGIN BEACH RESORT & DEVICE was printed and stylized in complete variation to the Opposer's VIRGIN family of marks. Although aurally, they sound the same when uttered, the presentation of the labels are totally different. A mere examination and comparison of the competing marks reveal that the word VIRGIN appeared in both marks. The records disclose, however, that apart from the use of the word VIRGIN, there are other essential features composing Applicant's VIRGIN BEACH RESORT & DEVICE mark which included the use of a device consisting of the image of a sunshine in mustard color with other words written below the word VIRGIN and these are the words BEACH RESORT, LAIYA, SAN JUAN, BATANGAS, PHILIPPINES. Underneath the sunshine device or design comprising Applicant's VIRGIN BEACH RESORT & DEVICE mark is written the word VIRGIN in horizontal form and in stylized font with only the first letter V in upper case letter and printed in blue script. Present in both trademarks is the word VIRGIN, but the position of the word VIRGIN is different in both designs. Applicant's VIRGIN BEACH RESORT & DEVICE mark is in blue color with the sunshine device in yellow/orange background. Opposer's VIRGIN trademarks is written in horizontal form or in specialized or peculiar script or referred to by Opposer as VIRGIN signature, with all the letters of the word VIRGIN capitalized when in horizontal form or only the letter V in upper case letter when using the VIRGIN signature, all in black print as against Applicant's VIRGIN BEACH RESORT & DEVICE mark which is predominantly of the colors blue/mustard and the letters of the word VIRGIN written in wider print. Hence, both marks are similar only in the use and adoption of the word VIRGIN but they vary substantially in the composition and integration of the other main and essential features, in the general design and their overall appearance. It is observed that an ordinary consumer's attention would not be drawn on the minute similarities that were noted but on the differences or dissimilarities of both service marks that are glaring and striking to the eye.

In the case of Mead Johnson vs. N.V.J. Dorp, Ltd., 7 SCRA 768, no less than the Supreme Court ruled that: while there are similarities in spelling, appearance and sound between "ALACTA" and "ALASKA" the trademarks in their entirety as they appear in their respective labels show glaring and striking differences or dissimilarities such as in size of the containers, the colors of the labels, inasmuch as one uses light blue, pink, and white, while Van Dorp containers uses two color bands, yellowish white and red; furthermore the mark "ALACTA" has only the first letter capitalized written in white except that of the condensed full cream milk which is in red.

Similarly, the Supreme Court recognized the following as registrable trademarks for medicinal products: BIOFERIN and BUFFERIN (Bristol Myers Company vs. The Director of Patents and United American Pharmaceuticals, Inc., 17 SCRA 128); and SULMET and SULMETINE (American Cyanamid Company vs. Director of Patents, et. al. G.R. No. L-23954, April 29, 1977);

The adoption of VIRGIN in Opposer's VIRGIN family of marks does not create for or confer upon Opposer the right to exclusively appropriate the word VIRGIN. VIRGIN is an ordinary and generic word and no one has exclusive use to it. The use of VIRGIN may constitute a valid trademark particularly in combination with another word/s, such as the words BEACH RESORT in the case at bar. The combination of words and syllables can be registered as trademarks for

as long as it can individualize the goods of a trader from the goods of its competitors. Bolstering this observation is the pronouncement by the Court in the case of Etepha vs. the Director of Patents, Westmont Pharmaceutical, Inc. 16 SCRA 495, *“that while the word by itself cannot be used exclusively to identify one’s goods it may properly become a subject of a trademark by combination with another word or phrase; hence, Etepha’s “Pertussin” and Westmont’s “Atussin”*

From evidence on record, Opposer is the registered owner in the Philippines of the VIRGIN marks, as follows:

Trademark	Registration Number	Nice Classification
VIRGIN SIGNATURE (BLOBBY 2)	42007005386	04, 39 & 40
VIRGIN	1639	25
VIRGIN	42000006935	09
VIRGIN	42000005332	38
VIRGIN	42007005387	04, 39 & 40
VIRGIN	42007009559	33
VIRGIN MOBILE LOGO	42006002764	09 & 38
VIRGIN SIGNATURE	41995102673	33
VIRGIN	42000008015	32
VIRGIN VIE	41997124590	03

Opposer is also the owner the following pending trademark applications:

Trademark	Application Number	Nice Classification
VIRGIN	42000008016	32
VIRGIN	41995100478	33
VIRGIN	42001008382	18 & 25
VIRGIN	42000005332	38
VIRGIN SIGNATURE (BLOBBY 2)	42007004855	33

The above list of trademark registrations and applications covers goods and services particularly and mainly of wines, spirits and liqueurs which the VIRGIN marks are known for. The mark was first used in the Philippines in 1995, at the earliest. Nowhere in Opposer’s VIRGIN service marks applied and/or registered does it relate closely to services offered by Respondent-Applicant, namely beach resort, golf courses, tennis and pelota courts, swimming pools and other sports and recreational facilities under Class 41 and restaurants, hotels services covered under Class 43. The following are services of Opposer’s VIRGIN trademarks:

38	<i>Telecommunication services; broadcasting services; providing user access to a global computer network; providing telecommunications connections to a global computer network; telecommunications of information (including web pages, electronic mail services; telecommunication gateway services; providing user access to the internet</i>
39	<i>Storage, distribution and transportation of energy and fuels; transportation of people and goods; storage of goods; warehousing of goods; travel arrangement</i>
40	<i>Energy production; treatment of materials</i>

The case likewise of [G.R. No. L-26676. July 30, 1982.] PHILIPPINE REFINING CO., INC., petitioner vs. NG SAM and THE DIRECTOR OF PATENTS, respondents, is one case relevant to and decisive of this particular point when the court ruled:

“It is evident that “CAMIA” as a trademark is far from being distinctive. By itself, it does not identify petitioner as the manufacturer or producer of the goods upon which said mark is used, as contra-distinguished to trademarks derived from coined word such as “Rolex”, “Kodak” or “Kotex”. It has been held that “if a mark is so commonplace that it cannot be readily distinguished from others, then it is apparent that it cannot identify a particular business; and he who first adopted it cannot be injured by any subsequent appropriation or imitation by others, and the public will not be deceived.”

Opposer further argues that VIRGIN family of marks are popular and/or well-known citing provision for the protection of well-known marks for goods or services which are either identical or similar as contained in Section 123.1 (f) of the Intellectual Property Code of the Philippines (R.A. 8293).

Before evidence showing well-knownness of the mark is assessed and evaluated, there must be shown or established confusing similarity of the trademarks in question. Inasmuch this Bureau finds no confusing similarity between the subject trademarks in the light of discussions on the evidence adduced and/or presented to this Bureau, the issue of well-knownness of the mark has become unnecessary.

All told, confusion or deception to the purchasing public or the apprehension, if at all, that the public may be misled into believing that there is some connection or association between Opposer’s goods and services using its VIRGIN trademarks and Applicant’s VIRGIN BEACH RESORT & DEVICE, the likelihood that these goods and/or services may be mistaken as coming from the same origin, is far-fetched.

Based on the foregoing and despite allegation of prior use by Opposer in the Philippines of VIRGIN trademarks, this Bureau resolves to grant protection to Respondent-Applicant’s mark VIRGIN BEACH RESORT & DEVICE, the two marks not being confusingly similar.

WHEREFORE, based on the foregoing facts and the evidence, the Notice of Opposition filed by herein Opposer is, as it is hereby, DENIED. Accordingly, application bearing Serial No. 4-2006-005986 for the mark “VIRGIN BEACH RESORT & DEVICE” filed on 06 June 2006 for use on the following:

41	<i>Beach Resort, Golf Courses, Tennis and Pelota Courts, Swimming Pools and other Sports and Recreation Facilities</i>
43	<i>Restaurants, Hotels</i>

is hereby GIVEN DUE COURSE.

Let the file wrapper of VIRGIN BEACH RESORT & DEVICE, subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks for appropriate action.

SO ORDERED.

18 September 2008, Makati City.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs