



OFFICE OF THE DIRECTOR GENERAL

BRAINTREE TRI-MEDIA CORP.,  
Respondent-Appellant,

-versus-

STIEFEL LABORATORIES, INC.,  
Opposer-Appellee.

Appeal No. 14-2011-0005

IPC No. 14-2009-00153

Opposition to:

Application No. 4-2008-014741

Date Filed: 05 December 2008

Trademark: STEVIA

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DECISION

BRAINTREE TRI-MEDIA CORP. ("Appellant") appeals the decision<sup>1</sup> of the Director of the Bureau of Legal Affairs ("Director") sustaining the opposition to the registration of the Appellant's mark "STEVIA".

Records show that the Appellant filed on 05 December 2008 Trademark Application No. 4-2008-014741 seeking to register STEVIA for use on dietary food supplement, food supplement namely anti-oxidant, mineral food supplement, and natural sweetener. The application was published in the Intellectual Property Office Electronics Gazette for Trademarks on 13 February 2009.

On 15 June 2009, STIEFEL LABORATORIES, INC. ("Appellee") filed an "OPPOSITION" claiming that it would be damaged by the registration of STEVIA. The Appellee alleged the following:

1. It is the owner of the mark "STIEVA-A" which was registered on 10 January 1995 under Registration No. 59711 and the registration of STEVIA will be contrary to Sec. 123.1 (d) of the Republic Act No. 8293 ("IP Code");
2. STEVIA is confusingly similar to STIEVA-A as to be likely to deceive or cause confusion; the similarity of these marks is apparent from both visual and aural comparisons of these marks and this uncanny resemblance will inevitably deceive and cause confusion among consumers;

<sup>1</sup> Decision No. 2011-05 dated 31 January 2011.

3. Further increasing the likelihood of confusion is the fact that these marks cover closely related goods/services which fall under the same class (Class 5);
4. It is domiciled in the U.S.A. and is entitled to benefits granted to foreign nationals under Sec. 3 of the IP Code; both the Philippines and the U.S.A are members of the Paris Convention for the Protection of Industrial Property (Paris Convention);
5. STIEVA-A is a well-known and world famous mark and the registration of STEVIA violates Articles 6bis and 10bis of the Paris Convention in conjunction with Sections 3, 123.1 (e) and 123.1 (f) of the IP Code;
6. It has used STIEVA-A in the Philippines and in numerous other countries prior to the filing date of the Appellant's trademark application and it continues to use this mark in the Philippines and in over sixty (60) other countries;
7. It has extensively promoted STIEVA-A worldwide and has obtained significant exposure for the goods upon which STIEVA-A is used in various media, including television commercials, outdoor advertisements, internationally well-known print publications, and other promotional events;
8. It has not consented to the Appellant's use and registration of STEVIA or any other mark identical or similar to STIEVA-A;
9. The Appellant's use of STEVIA will mislead the purchasing public into believing that the Appellant's goods are produced by, originate from, or are under the sponsorship of the Appellee;
10. The Appellant's use of STEVIA will take advantage of, dilute, and diminish the distinctive character or reputation of STIEVA-A; and
11. The registration of STEVIA will cause incalculable damage to its reputation and general business standing.

The Appellee submitted the following evidence to support the opposition:

1. Verified Opposition;<sup>2</sup>

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<sup>2</sup> Exhibit "A".

2. Verification and Certification;<sup>3</sup>
3. Secretary's Certificate;<sup>4</sup>
4. Special Power of Attorney;<sup>5</sup>
5. Affidavit of Devin G. Buckley (with annexes) executed on 29 May 2009;<sup>6</sup>
6. Reg. No. 59711 for STIEVA- A;<sup>7</sup>
7. Certificates of registration (foreign) issued in favor the Appellee for STIEVAA and "STIEVAA";<sup>8</sup>
8. Invoices in the Philippines for STIEVA-A;<sup>9</sup> and
9. Advertisements for STIEVA-A.<sup>10</sup>

The Appellant filed a "VERIFIED ANSWER [Re: Opposition Dated 23 April 2009]" dated 12 January 2010 alleging the following defenses:

1. The marks "STIEVA-A" and STEVIA are not confusingly similar and do not nearly resemble each other;
2. The public cannot be confused between STIEVA-A and STEVIA because the goods covered by the marks are not related; STIEVA-A covers goods for dermatological preparation while STEVIA covers dietary food supplements and natural sweetener;
3. The differences in the appearance of STEVIA and STIEVA-A, their packaging and labeling, and the indication of the source on the label of the goods as required under the Consumer Act of the Philippines, all ensure that the STIEVA-A goods will not be confused with STEVIA goods;
4. The Appellant's and Appellee's goods do not have the same descriptive properties, physical attributes or essential characteristics; neither do they serve the same purpose – STIEVA-A's goods are for the treatment of acne, while STEVIA food supplements are taken by people with deficiencies in their diet, and natural sweeteners are intended to sweeten a person's drink or food; and
5. The Appellee failed to substantiate the claim that STIEVA-A is well-known and it has not shown any credible evidence showing that STIEVA-A has extensive use and registration in

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<sup>3</sup> Exhibit "B".

<sup>4</sup> Exhibit "C".

<sup>5</sup> Exhibit "D".

<sup>6</sup> Exhibit "E".

<sup>7</sup> Exhibit "F".

<sup>8</sup> Exhibits "G" to "W".

<sup>9</sup> Exhibit "X".

<sup>10</sup> Exhibit "Y".

the world; the Appellee did not prove the volume of sales of its products in the Philippines and worldwide on which STIEVA-A is used.

The Appellant's evidence consists of the following:

1. Cert. of Reg. No. 4-2008-014741 for STEVIA;<sup>11</sup>
2. Order Nos. 2009-899, 2009-900 and 2009-901 issued by the Bureau of Legal Affairs;<sup>12</sup>
3. Manifestation dated 18 June 2009;<sup>13</sup>
4. Printout on the trademark search for "STIEVAA" in the IPOPHL website;<sup>14</sup> and
5. Printout from the Appellee's website.<sup>15</sup>

After the appropriate proceedings, the Director rendered a decision sustaining the opposition on the ground that the word STEVIA is generic to the goods on which the Appellant uses it as a trademark. Not satisfied, the Appellant filed an "APPEAL MEMORANDUM" on 24 March 2011 citing the following arguments:

- I. AS AN AGENCY TASKED WITH QUASI-JUDICIAL POWER, THE BLA'S FUNCTIONS ARE LIMITED TO THE DETERMINATION OF THE MERITS OF THE CLAIMS OF EACH PARTY IN AN INTER PARTES OPPOSITION PROCEEDING. IT IS BOUND TO ADJUDICATE ONLY ON SUCH EVIDENCE AS IS PRESENTED TO IT.
- II. THE BLA GRAVELY ERRED IN TAKING JUDICIAL NOTICE OF A WIKIPEDIA ARTICLE WITHOUT ALLOWING RESPONDENT-APPELLANT ANY OPPORTUNITY TO TRAVERSE ITS FINDING.
- III. IN ANY EVENT, THE MARK "STEVIA" IS NOT A GENERIC TERM."

The Appellant argues that between the Bureau of Trademarks and the Bureau of Legal Affairs ("BLA"), the former is presumed to have more persuasive authority to determine whether a mark sought to be registered complies with the registrability requirements under the Intellectual Property Code of the Philippines ("IP Code"). According to the Appellant, the BLA's functions, with regard to the determination of registrability of a mark sought to

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<sup>11</sup> Exhibit "1".

<sup>12</sup> Exhibits "2" to "4".

<sup>13</sup> Exhibit "5".

<sup>14</sup> Exhibit "6".

<sup>15</sup> Exhibit "7".

be registered, are confined to the assessment of the merits of the claims of the different parties in an opposition proceeding, particularly with respect to the claim of damage to a third person by the registration of a published mark. The Appellant maintains that the BLA may not, *motu proprio*, determine the registrability of a mark and that in the exercise of its adjudicatory powers, the BLA may act only within the parameters of the arguments and evidence presented by the parties.

The Appellant contends that the BLA erred in taking judicial notice of a "Wikipedia" article without allowing the Appellant any opportunity to traverse its finding. The Appellant asserts that STEVIA is not a generic term but is a name of a plant and its reference as a sweetener is only incidental. The Appellant claims that even if STEVIA is generic to sweeteners, this mark must be allowed registration on the other goods of the Appellant that cover dietary food supplement.

The Appellee filed on 28 April 2011 its "COMMENT" alleging that the BLA correctly rejected the registration of STEVIA for being generic or at the least being descriptive of the Appellant's goods. The Appellee maintains that the BLA did not take judicial notice of a Wikipedia article and did not rely solely on this article but cited other sources and articles.

On 01 June 2011, pursuant to Office Order No. 154, Series of 2010, Rules of Procedure for IPO Mediation Proceedings, this case was referred to mediation. Subsequently, on 29 June 2011, this Office received a copy of the "MEDIATOR'S REPORT" stating the termination of the mediation proceedings and that the parties are not amenable to proceed to the settlement of this case.

The issue in this appeal is whether the Director was correct in sustaining the opposition to the registration of STEVIA.

In this regard, Sec. 123.1 (h) of the IP Code provides that a mark cannot be registered if it:

(h) Consists exclusively of signs that are generic for the goods or services that they seek to identify;

In one case, the Supreme Court of the Philippines held that:

"Generic terms are those which constitute 'the common descriptive name of an article or substance,' or comprise the 'genus of which the particular product is a species,' or are 'commonly used as the name or description of a kind of goods,' or 'imply reference to every member of a genus and the exclusion of individuating characters,' or 'refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product,' and are not legally protectable."<sup>16</sup>

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<sup>16</sup> Societe Des Produits Nestle v. Court of Appeals, G. R. No. 112012, 04 April 2001.

In this instance, the Appellant seeks to register the word mark STEVIA for dietary supplement and natural sweetener. However, STEVIA is defined as:

" 1: any of a genus (*Stevia*) of composite herbs and shrubs of tropical and subtropical America; *especially* : a white-flowered tender perennial (*S. rebaudiana*) native to Paraguay

2: a white powder composed of one or more intensely sweet glycosides derived from the leaves of a stevia (*S. rebaudiana*) and used as noncaloric sweetener"<sup>17</sup>

Therefore, stevia is a generic term. It is generic because it is actually the name of a plant and it tells what the product is. Stevia refers to the "genus of composite herbs and shrubs" and "used as noncaloric sweetener".

The essence of trademark registration is to give protection to the owners of trademarks. A trademark, meanwhile, is any visible sign capable of distinguishing the goods of an enterprise.<sup>18</sup> The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>19</sup>

In this case, Stevia is not capable of distinguishing the goods of the Appellant. It does not point out distinctly the origin or ownership of STEVIA as this mark refers to the name of a plant. In this regard, it is of public interest that only the marks that satisfy the requirements of the law should be allowed registration. Generic terms are not allowed registration and cannot be given legal protection. The reason for this is because generic words are considered to be in the public domain and free for all to use. To allow an individual or an entity to register a generic term would give the registrant the exclusive right to use the generic term to the prejudice of others who are engaged in producing or manufacturing a similar class of products and who are using the same generic words in their trade or services.

Moreover, there is no merit to the Appellant's contention that the function of the BLA is confined to the assessment of the merits of the claims of the different parties in an opposition proceeding and that the BLA may act

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<sup>17</sup> stevia available at <http://www.merriam-webster.com/dictionary/stevia> (last accessed 08 May 2013).

<sup>18</sup> IP Code, Sec. 121.1.

<sup>19</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999.

only within the parameters of the arguments and evidence presented by the parties.

In the case of *Operators Incorporated vs. Director of Patents*,<sup>20</sup> the Supreme Court of the Philippines held that:

An application for registration under the Patent Law is not an ordinary litigious controversy between private parties. Public interest is involved and all questions as to whether or not the law is satisfied may be considered by the Patent Office or by the Court even though not specifically raised by either of the parties.

As correctly pointed out by the Director:

It must be stressed that an opposition proceeding is essentially a review of the application in question, whether or not the requirements under the law are met. Thus, this Bureau in deciding an opposition case is not restricted by the grounds or issues cited or invoked by the parties. It is well within this Bureau's mandate to rule that the trademark application should not be allowed because it violates the provisions of the law. Aptly, this Bureau in determining whether or not a mark could be registered may and should take judicial notice of the meaning of or the concept, substance, or idea represented by the word or term applied for registration as a trademark.<sup>21</sup>


Accordingly, it is within the mandate of the BLA and this Office to ensure that only marks that satisfy the requirements of the law are allowed registration. STEVIA being generic for the goods covered by the Appellant's trademark application, this mark cannot be registered.

WHEREFORE, premises considered, the instant appeal is hereby DISMISSED. Let a copy of this Decision as well as the trademark application and records be furnished and returned to the Director of the Bureau of Legal Affairs for appropriate action. Further, let also the Director of the Bureau of Trademarks and the library of the Documentation, Information and Technology Transfer Bureau be furnished a copy of this decision for information, guidance, and records purposes.

SO ORDERED.

SEP 02 2013

Taguig City

  
RICARDO R. BLANCAFLOR  
Director General

<sup>20</sup> G. R. No. L-17901, 29 October 1965.

<sup>21</sup> Decision No. 2011-05, dated 31 January 2011, page 6.