

FUN RANCH MEGA DEVELOPMENT, INC.,

Appellant,

Appeal No. 04-2012-0004

Application No. 4-2009-004988 Date Filed: 21 May 2009

-versus-

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Trademark: FACADE OF A BUILDING

DIRECTOR OF THE BUREAU OF TRADEMARKS,

Appellee.

# DECISION

FUN RANCH MEGA DEVELOPMENT, INC. ("Appellant") appeals the decision of the Director of the Bureau of Trademarks which sustained the rejection of the Appellant's application to register the mark "FACADE OF A BUILDING".

Records show that the Appellant filed on 21 May 2009 Trademark Application No. 4-2009-004988 with the title of the mark as "FAÇADE OF A BUILDING" for use on children's entertainment and amusement centers, namely, interactive play areas; restaurant services; services for providing food and drink; and temporary accommodation. The Examiner-in-Charge ("Examiner") issued an official action<sup>1</sup> stating that the mark may not be registered because it does not function as a trademark and is not capable of distinguishing the goods or services.

The Appellant filed on 02 October 2009 a response to the Examiner's official action claiming that its mark is a unique design of a façade of a building that function as a service mark. According to the Appellant, the look and feel of the building design is not only unique but distinctive and capable of identifying the Appellant's establishment, business, or services. It maintained that it has commercially used in the Philippines this mark and that the relevant consumers have come to know this mark as being associated with the Appellant's services. The Appellant cited the registration of marks covering the designs of bottles of alcoholic drinks and perfume to support the registration of its mark.

The Examiner issued another official action<sup>2</sup> reiterating the finding that the Appellant's mark does not function as a trademark and is not capable of distinguishing

funranch v. bot(3) page 1 of 5

Republic of the Philippines INTELLECTUAL PROPERTY OFFICE Intellectual Property Center, 28 Upper McKinley Road, McKinley Hill Town Center Fort Bonifacio, Taguig City 1634 Philippines T: +632-2386300 • F: +632-5539480 • www.ipophil.gov.ph

<sup>&</sup>lt;sup>1</sup> Paper No. 02 Registrability Report with mailing date of 17 August 2009.

<sup>&</sup>lt;sup>2</sup> Paper No. 04 with mailing date of 05 April 2010.

the goods or services. Not satisfied, the Appellant appealed to the Director the Examiner's findings. After appropriate proceedings, the Director sustained the rejection of the Appellant's trademark application.

On 10 April 2012, the Appellant filed an "APPEAL MEMORANDUM" alleging the following errors:

### SPECIFICATION OF ERRORS

# Ι

Contrary to the shallow ruling of the BOT Director, façade of a building is, like any design, a form of a trademark, and if rendered in a distinctive manner, and what is more, if it already acquires goodwill and crowddrawing capacity, then it is a registrable trademark.

## II

It is legal error for the BOT Director to cite the principle of "aesthetic functionality doctrine" as in fact, the citation of this principle in the case at bar exposes the wrong understanding by the BOT Director \of this principle.

### III

The BOT Director seriously erred and committed grave abuse of discretion in disregarding the unrefuted claim of Appellant that the relevant consumers in the Philippines have now come to know the subject trademark as being associated with the Appellant's services, particularly those in Class 41 and 43.

#### IV

The BOT Director has seriously erred and committed grave abuse of discretion in not appreciating the fact that the Appellant's "FAÇADE OF A BUILDING" has long been commercially used in the Philippines in a consistent way.

The Appellant argues that its mark is a visible sign that is distinctive of its business as proven by the fact that no other design similar to it belonging to a recreational or amusement establishment was cited by the Examiner. The Appellant contends that the function of a design will not absolutely negate distinctiveness and that the Director and the Examiner did not offer any legal justification on why a building design cannot be distinctive in the same manner that a design of a bottle had been held distinctive. The

> funranch v. bot(3) page 2 of 5

Appellant maintains that it has long commercially used its mark in the Philippines and that the relevant consumers have associated this mark with it.

The Director filed her "COMMENT" on 11 June 2012 stating that the Appellant has the burden to prove that its mark can be registered and that this mark has been associated with it. According to the Director, the Appellant failed to demonstrate that the façade of a building that is the subject of the Appellant's trademark application has performed the source-indicating function and has distinguished the Appellant's goods or services.

The issue in this appeal is whether the Director was correct in denying the registration of the Appellant's mark "FAÇADE OF A BUILDING".

Below is the illustration of the Appellant's mark:



The Appellant seeks the protection of its mark as a representation of a facade of a building including the claims for the colors red, blue, and yellow.<sup>3</sup>

It is emphasized that the essence of trademark registration is to give protection to the owners of trademarks. 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

funranch v. bot(3) page 3 of 5

<sup>&</sup>lt;sup>3</sup> Trademark Application No. 4-2009-004988.

prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>4</sup>

Significantly, a mark to be registered must be a visible sign capable of distinguishing the goods or services of an enterprise.<sup>5</sup> In this case, an examination of the Appellant's mark shows the lack of a distinguishing feature that would make it a distinct "façade of a building" used by an enterprise for children's entertainment and amusement centers, namely, interactive play areas; restaurant services; services for providing food and drink; and temporary accommodation. This representation of a facade of a building does not function as an indicator of the Appellant's business enterprise. There is nothing distinctive on this mark to qualify it for registration. As aptly pointed out by the Director:

Moreover, Applicant-Appellant cannot elevate the configuration or appearance of the façade of the building to the same level of distinctiveness as the architectural design of the art deco spire of Chrysler building or the neo-classical façade of the New York Stock Exchange. The latter possess distinctive design features readily identifiable with their owners. The same cannot be said of the subject mark. We agree with the examiner that what makes a lasting impression in the minds of the public are the registered trademarks, Big Barn and Fun Ranch and not the look and feel of the façade of the building. In other words, the "façade of the building" does not serve as identifier of the source of the services.<sup>6</sup>

The Appellant's arguments that it has commercially used in the Philippines this mark and that the relevant consumers have come to know this mark as being associated with the Appellant's services are not meritorious. The Appellant's use of a façade of a building does not automatically results to a trademark registration. Neither was there any proof that the relevant consumers have associated the Appellant's "FAÇADE OF A BUILDING" as the indicator of the Appellant's business enterprise. On pain of redundancy, only a visible sign capable of distinguishing an enterprise is entitled to trademark registration. In this instance, the Appellant's mark is but a representation of a façade of a building that does not have distinguishing characteristics.

Regarding the registered bottle designs cited by the Appellant, a scrutiny of these registrations indicate the capability of these designs to point out the source or origin of the registered marks which differentiate them from the Appellant's mark. For example, the features and characteristics of the "CHANEL CLASSIC BOTTLE/PERFUME BOTTLE DESIGN" easily distinguish the perfume products of Chanel Sarl. Similarly, the "BOTTLE DESIGN FOR GINEBRA SAN MIGUEL FRASCO" identifies the source or origin of these containers as from Ginebra San Miguel, Inc..

<sup>&</sup>lt;sup>4</sup> Pribhdas J. Mirpuri v. Court of Appeals G.R. No. 114508, 19 November 1999.

<sup>&</sup>lt;sup>5</sup> Intellectual Property Code of the Philippines, Sec. 121.1.

<sup>&</sup>lt;sup>6</sup> DECISION dated 21 February 2012, page 5.

On the other hand, the registration of the mark "TAFT CENTRALE EXCHANGE AND DEVICE OF A STYLIZED FAÇADE OF A BUILDING" cited by the Appellant<sup>7</sup> only weakens its position. This registered mark covers not solely a "façade of a building", thus, making it different from the Appellant's trademark application. This mark was registered because it is capable of distinguishing the business or services of the registrant unlike the Appellant's mark which failed to identify the Appellant's business or services.

The proceedings in the examination of trademark application in the Bureau of Trademarks are done *ex-parte*. It is prosecuted *ex parte* by the applicant, that is, the proceedings are like a lawsuit in which there is a plaintiff (the applicant) but no defendant, the court itself (the Examiner) acting as the adverse party.<sup>8</sup> The Intellectual Property Office of the Philippines represented by the Examiner is not supposed to look after the interest of an applicant. The law imposes that duty upon the applicant himself. The Examiner is charged with the protection of the interests of the public and, hence, must be vigilant to see that no registration issues for a mark contrary to law and the Trademark Regulations.<sup>9</sup> The Examiner will look if the trademark can be registered or not.

Viewed from this context, the Director was correct in sustaining the Examiner's rejection of the Appellant's trademark application on the ground that the Appellant's FACADE OF A BUILDING is not capable of distinguishing the Appellant's business or enterprise.

WHEREFORE, premises considered, the 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 Trademarks for appropriate action. Let a copy of this Decision be furnished also the library of the Documentation, Information and Technology Transfer Bureau for its information and records purposes.

SO ORDERED.

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RICARDO R. BLANCAFLOR

Director General

<sup>9</sup> Trademark Regulations, Rule 602.

funranch v. bot(3) page 5 of 5

<sup>&</sup>lt;sup>7</sup> MEMORANDUM dated 10 July 2012, pp. 4-5.

<sup>&</sup>lt;sup>8</sup> Trademark Regulations, Rule 600.