



OFFICE OF THE DIRECTOR GENERAL

MARKETVENTURE DISTRIBUTOR
SALES, INC.,

Appellant,

-versus-

DIRECTOR OF THE BUREAU OF
TRADEMARKS,

Appellee

x-----x

Appeal No. 04-2011-0006

Application No. 4-2008-006026

Date Filed: 22 May 2008

Trademark: ZIP KREAMY STIX
(Stylized)

DECISION

Marketventure Distributor Sales, Inc. (“Appellant”) appeals the decision of the Director of the Bureau of Trademarks (“Director”) which sustained the final rejection of the Appellant’s application to register the mark “ZIP KREAMY STIX”.

Records show that the Appellant filed on 22 May 2008 Trademark Application No. 4-2008-006026 for ZIP KREAMY STIX for use on *coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee, flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, treacle, yeast, baking powder, salt, mustard, vinegar, sauces (except salad dressings), spices, and ice*. The Examiner-in-Charge (“Examiner”) issued an official action¹ stating that the mark may not be registered because it nearly resembles a mark with an earlier filing or priority date and the resemblance is likely to deceive or cause confusion.

The Examiner cited the mark “ZIP” filed on 08 August 2006 by Cadbury UK Limited for use on *chocolate, chocolates, non-medicated confectionery, chilled and frozen confectionery, candy, ice cream, biscuits pastries, cakes, wafers, food, namely flour products and preparations made from cereals, bread, pastry, confectionery and ice, and drinks, namely beverages with coffee, cocoa and/or chocolate base*.

The Appellant filed on 04 September 2008 a response stating that its mark can be registered because the mark cited by the Examiner does not have any colors and does not include the words “KREAMY STIX”. The Appellant claimed that its mark is a composite “ZIP KREAMY STIX” trademark and is being applied for registration together with claims for colors.

¹ Paper No. 02 “REGISTRABILITY REPORT” with mailing date of 04 July 2008.

The Examiner issued another official action² stating that the goods specified in the Appellant's mark and the mark it cited are similar and classified under the same Class 30 of the Nice Classification.³ The Examiner stated that the word "ZIP" is the dominant feature in the marks and is a factor in determining a likelihood of confusion. According to the Examiner, the Appellant's mark resembles the mark it cited in spelling, pronunciation and in appearance and, hence, the Appellant's trademark application cannot be given due course.

The Appellant appealed the findings of the Examiner to the Director who denied the appeal and sustained the rejection of the Appellant's trademark application. The Appellant filed on 03 February 2011 a "MOTION FOR RECONSIDERATION" which the Director denied for lack of merit. Not satisfied, the Appellant filed on 02 March 2011 a "MEMORANDUM OF APPEAL" contending that there is no likelihood of confusion and that the dominant feature of the mark cited by the Examiner is not confusingly similar with the Appellant's mark.

The Appellant claims that there are major differences not just minor ones in its mark and the mark cited by the Examiner. According to the Appellant, the mark cited by the Examiner refers to "zip" while its mark is not limited to "zip" but is a combination of words, colors and stylizations which is fanciful and arbitrary. The Appellant argues that the prevalent feature in the mark cited by the Examiner is not "zip" but the "Cadbury logo", and "zip" standing alone does not give any impression that the product belongs to Cadbury. The Appellant, thus, claims that there could be no confusion with its mark which is different from the mark of Cadbury. The Appellant asserts that both confusion of goods and business could not occur because its packaging is entirely different and the Cadbury logo is neither used nor indicated in its products and that the consumers look at the packages when they make purchases. The Appellant contends that likelihood of confusion is a relative concept and cases must be decided with a careful consideration of the peculiar facts obtaining in each instance.

The Director filed on 31 March 2011 her "COMMENT" on the appeal stating that the word "ZIP" is the most dominant feature in the Appellant's mark and because this mark shares a dominant element with a prior mark, the Appellant's mark cannot be registered. The Director maintains that while the mark cited by the Examiner is a word mark and the Appellant's mark is a composite mark, the shared dominant word between them will overcome the minor differences in their appearance or design.

The issue in this appeal is whether the Director was correct in sustaining the rejection of the Appellant's application to register ZIP KREAMY STIX.

² Paper No. 04 with mailing date of 23 October 2008.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

Sec. 123.1 (d) of the Intellectual Property Code of the Philippines (“IP Code”) states that a mark cannot be registered if it is:

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of:

- (i) The same goods or services, or
- (ii) Closely related goods or services, or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

Below are the illustrations of the Appellant’s mark and the mark cited by the Examiner:



Appellant's mark



Mark cited by the Examiner

The Appellant’s mark is a combination of the words “ZIP”, “KREAMY”, and “STIX” while the mark cited by the Examiner refers to the word mark “ZIP”. In this regard, a look at these marks show that the word “ZIP” appears to be the word that easily catches one’s attention. While indeed the Appellant’s mark has other terms and has other features not found in the mark cited by the Examiner, it is very likely that the presence of the word “ZIP” in both marks would lead the purchasing public to believe that the Appellant’s mark is just a variation of the mark cited by the Examiner or vice versa. There would, therefore, be a likelihood of confusion to the public as to the true owner of these marks.

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

To allow, therefore, the Appellant to register its mark would go against the rationale of trademark registration. Moreover, because the Appellant’s mark is to be used

⁴ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999.

in the same class of goods as those of the mark cited by the Examiner, the confusion is very likely because of the resemblance in the dominant feature of these marks. As aptly observed by the Director:

It is so, because "ZIP" is the word that is intended to create the commercial impression in the public's mind, which is also evidenced by its size in relation to the other terms around it. As such, it is the word that consumers will announce to stores when they intend to purchase the product. Verily, consumers are not expected to make a detailed description of the colors or styling of the lettering of the mark of the product they intend to purchase in order to differentiate it from others that have a confusingly similar name.⁵

In a contest involving registration of trademarks, the determinative factor is not whether the challenged mark would actually cause confusion or deception to the buying public but whether the use of such mark would likely cause confusion or mistake on the part of the public. Section 123.1 (d) of the IP Code establishes this principle when it states that in determining confusing similarity a likelihood of confusion is the only requirement.

Moreover, the statement by the Supreme Court in one case is instructive:

Of course, as in all other cases of colorable imitations, the unanswered riddle is why, of the millions 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."⁶

In this case, the Appellant has "millions of terms and combination of letters and designs available" for use on goods covered by its trademark application. Why it insists on using "ZIP" which has been appropriated by another proprietor for the same class of goods betrays its intent to take advantage of the goodwill generated by the prior mark.

Significantly, 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.⁷ 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.⁸ The Examiner will look if the trademark can be registered or not.

⁵ COMMENT, dated 31 March 2011, page 5.

⁶ American Wire & Cable Company v. Director of Patents, G. R. No. L-26557, 18 February 1970.

⁷ Trademark Regulations, Rule 600.


⁸ Trademark Regulations, Rule 602.

Sec. 123.1 (d) of the IP Code bars the registration of a mark that is likely to deceive or cause confusion. Viewed from this context, the Examiner and the Director were correct in rejecting the Appellant's mark that resembles a prior mark belonging to a different proprietor.

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.

OCT 24 2013 Taguig City


RICARDO R. BLANCAFLOR
Director General