



OFFICE OF THE DIRECTOR GENERAL

PHILIP MORRIS BRANDS SARL,
Appellant-Opposer,

Appeal No. 14-2012-0055
IPC No. 14-2009-00045

-versus-

Opposition to:
Application No. 4-2007-011946
Filed: 25 October 2007

PT. PERUSAHAAN DAGANG DAN
INDUSTRI TRESNO

Appellee-Applicant.

Trademark: "COUNTRY
INTERNATIONAL & DESIGN
(IN COLOR)"

X-----X

DECISION

PHILIP MORRIS BRANDS SARL ("Appellant"), appeals Decision No. 2012-143, dated 10 August 2012, issued by the Director of the Bureau of Legal Affairs ("Director"), dismissing the opposition to the Trademark Application No. 4-2007-011946 of PT. PERUSAHAAN DAGANG DAN INDUSTRI TRESNO ("Appellee") for the mark "COUNTRY INTERNATIONAL & DESIGN (IN COLOR)".

Records show that Appellee's Trademark Application No. 4-2007-011946 for the "INTERNATIONAL & DESIGN (IN COLOR)" mark covering goods under Class 34 (*cigarettes, filter cigarettes, tobacco and tobacco products. Cigars, cigarette boxes, lighters for smokers, smoker's articles and matches*), was published in the Intellectual Property Office electronic gazette on 10 October 2008.

On 6 February 2009, after timely filed Motions for Extension of Time, the Appellant seasonably filed a Verified Notice of Opposition, alleging that the approval of the abovementioned trademark application is contrary to Section 123.1 (d), (e), and (f) of Republic Act 8293 ("IP Code"), that the use and registration of the applied for mark will mislead the public as to the origin, nature, quality, and characteristics of goods on which it is affixed. Likewise, the registration and use of the above in connection with goods under Class 34 will result in trademark dilution, or weaken the uniqueness and the distinguishing capacity of the Appellants' other trademarks such as "MARLBORO & ROOF DESIGN", "MARLBORO COUNTRY", "COME TO MARLBORO COUNTRY", which are registered in the Philippines.

On 14 July 2009, the Appellee filed its Verified Answer, to which the Appellant filed its Reply. After mediation hearings were held to no avail, the Bureau of Legal Affairs submitted the case for decision. On 10 August 2012, the Director issued Decision No. 2012-143 denying the opposition and giving due course to the subject trademark application.

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The Director, in the assailed Decision, noted that Sec. 123.1 (d) of the IP Code provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of the same goods or services, or closely related goods or services, or if it nearly resembles such a mark as to be likely to deceive or cause confusion. In that regard, the Director likewise noted that at the time the Appellee filed its trademark application on 25 October 2007, the Appellant already had existing trademark registrations in the Philippines, for MARLBORO ROOF TOP DESIGN, MARLBORO (& ROOF DESIGN), MARLBORO & ROOF DESIGN, and COME TO MARLBORO COUNTRY. These registrations cover goods under Class 34, which are similar to those indicated in the Appellee's application. Lastly, the Director noted that both marks pertain to goods that serve the same purpose and flow in the same channels of trade, and are, hence, competing goods.

Be that as it may, the Director found that confusion or deception is unlikely to occur in that instance. Scrutinizing the marks, the Director found no colourable imitation between the marks, specifically the "roof design" as claimed by the Appellant. Also, the Director noted that the placement of the different designs on both marks are different, which ensure contrasting visual properties between the competing marks. Hence, the Director denied the opposition.

The Appellant, dissatisfied with the assailed Decision, seasonably filed its Appeal Memorandum with this Office on 17 September 2012. It alleged that the Director erred in allowing the registration of the subject "COUNTRY INTERNATIONAL & DESIGN (IN COLOR)" mark for goods under class 34 despite the Appellant's prior registrations and applications for registration of the "MARLBORO COUNTRY", "MARLBORO & ROOF DESIGN", and "COME TO MARLBORO COUNTRY", and that the design features of the Appellee's mark would create confusion in the mind of the purchasing public.

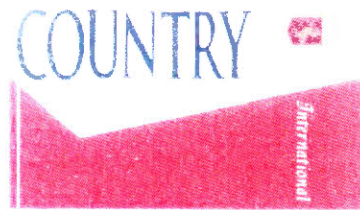
Appellant calls attention to the subject marks, contending that the Appellee's mark merely combines the dominant features or three (3) of the Appellant's trademarks, in that it has the word "COUNTRY" taken from "COME TO MARLBORO COUNTRY" and "MARLBORO COUNTRY", the angular design similar to the "ROOF DESIGN", and the red color of packaging depicting the "ROOF DESIGN". Likewise, it also has a coat of arms design that is also a prominent feature in the actual packaging of the Appellant.

The Appellee, on the other hand, did not file its Comment.

Proceeding to the main issue of the present appeal, the question to be resolved is whether the Director was correct in denying the opposition filed by the Appellant over the subject mark "COUNTRY INTERNATIONAL & DESIGN (IN COLOR)" sought to be registered by the Appellee, over goods under Class 34.

This Office notes that in the present case, the most pressing issue is whether or not there is confusing similarity between both marks that would lead to a likelihood of confusion on the part of the buying public. In order to properly assess the same, a closer look at both marks is required, and the marks are reproduced below:

Applicant



Opposer



MARLBORO COUNTRY

COME TO MARLBORO COUNTRY

A cursory examination of the marks above readily shows that taking into consideration the three (3) registered trademarks owned by the Appellant, there are enough points of similarity to confuse the public. The word "COUNTRY" may possibly lead to an ordinary buyer thinking that the Appellee's product is associated with that of the Appellant. Likewise, the color scheme is identical, with the shape in red, and a white background. Lastly, the red shape, although not identical, are similar in that they have five (5) sides, three of which may form part of a rectangle, and two sloping lines.

In a contest involving registration of trademarks, the determinative factor is not whether the challenged mark would *actually* cause confusion or deception of the purchasers but whether the use of such mark would *likely* cause confusion or mistake on the part of the buying public. Sec. 123.1 (d) of the IP Code is explicit that in the determination of confusing similarity a *likelihood of confusion* is sufficient.

As to whether the Director was correct in denying the opposition to the mark "COUNTRY INTERNATIONAL & DESIGN (IN COLOR)" for goods under Class 34 this Office does not agree. The Director sought refuge in the ruling in *Philip Morris, Inc. et al. V. Fortune Tobacco Corporation*, wherein the Court held:

"When we spoke of an "ordinary purchaser", the reference was not to the "completely unwary customer", but to the "ordinarily intelligent buyer", considering the type of product involved."

It cannot be over-emphasized that the products involved are addicting cigarettes purchased mainly by those who are already predisposed to a certain brand. Accordingly, the ordinary buyer thereof would be all too familiar with his brand and discriminating as well.”

This Office agrees with the ruling in the aforementioned case, however, it is the ordinarily intelligent buyer who may likewise associate the Appellee’s product for the other, due to the striking similarities in the marks, and because of the word “COUNTRY” which may cause the buyer to think that the same is associated with the Appellant’s products.

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. [*Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999*]

WHEREFORE, premises considered, the appeal is hereby **GRANTED**, and the Applicant’s Trademark Application No. 4-2005-006435 for the mark “COUNTRY INTERNATIONAL & DESIGN (IN COLOR)” for use on goods under Class 34 is hereby **REJECTED**. The Decision of the Director dated 10 August 2012 is hereby **REVERSED**. Let a copy of this Decision and the records of this case 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.

11 FEB 2014 Taguig City.


RICARDO R. BLANCAFLOR
Director General