



OFFICE OF THE DIRECTOR GENERAL

REYNALDO B. BONIFACIO
Applicant-Appellant,

Appeal No. 04-2011-0002

-vs-

Application No. 4-2008-005785
Date Filed: 16 May 2008

DIRECTOR OF THE BUREAU
OF TRADEMARKS
Respondent-Appellee.

Trademark: NORTHERN UNION
MONEY TRANSFER
AND DESIGN

X-----X

DECISION

Reynaldo B. Bonifacio ("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 "NORTHERN UNION MONEY TRANSFER AND DESIGN".

Records show that the Appellant filed on 16 May 2008, Trademark Application No. 4-2008-005785 for use on goods¹ falling under Classes 35 and 36 of the Nice Classification.² Subsequently, the Examiner-in-Charge ("Examiner") issued an official action³ stating that the term "MONEY TRANSFER" is "misdescriptive" of the services under Class 35 and that the Appellant's mark nearly resembles a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date as to likely deceive or cause confusion.

The Appellant filed on 17 December 2008 a response claiming that its mark is not confusingly similar and can be distinguished from the marks cited by the Examiner. According to the Appellant, there is no monopoly on the use of the word "UNION" and the words related to directions like "EASTERN", "SOUTHERN", and "NORTHERN" in view of the existence of several registrations for these words. Regarding the finding that its mark is "misdescriptive", the Appellant maintained that this ground is not included in

¹ Class 35 - Retail services for sale and distribution of appliances, furniture, jewelry and watches

Class 36 - Financial services namely banking services, money transfer by wire, bill payment and related financial services; real estate and pawn brokerage.

² 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.

³ Paper No. 04 with mailing date of 19 November 2008.

Sec. 123 of the IP Code and that the presence of the words "MONEY TRANSFER" will not surprise or confuse the relevant consumers who are presumed to be imbued with a modicum of intelligence.⁴

On 21 January 2009, the Examiner issued a "FINAL REJECTION" stating that the Appellant's mark cannot be registered because it nearly resembles the registered marks issued in favor of Western Union Holdings, Inc. covering identical and/or closely related services. The Appellant appealed to the Director who sustained the final rejection.

Not satisfied, the Appellant filed on 07 March 2011 an "APPEAL MEMORANDUM" contending that its mark is not confusingly similar with the marks cited by the Examiner namely, "WESTERN UNION QUICK PAY & DESIGN", "WESTERN UNION (AND TELEGRAPH POLE DESIGN)", and "WESTERN UNION MONEY TRANSFER & DESIGN". The Appellant claims that there are glaring and distinct differences between his mark and these marks that were cited by the Examiner. The Appellant maintains that the target consumers of his mark are the "ordinarily intelligent buyers" who will not be misled and who will immediately recognize the differences between his mark and the marks cited by the Examiner. The Appellant reiterates his position that there is no monopoly on the use of the word "UNION" and the words related to directions like "EASTERN", "SOUTHERN", and "NORTHERN".

The Director filed on 08 April 2011 her "COMMENT" maintaining that the Appellant's mark and the mark "WESTERN UNION MONEY TRANSFER" that was cited by the Examiner show too many points of comparison between them that it is not inconceivable that the public would assume that they originated from the same source. According to the Director, the differences in the marks are very minor and are insufficient to overcome the confusion that is likely because the marks leave consumers with a similar commercial impression.

The main issue in this case is whether the Director was correct in ruling that the Appellant's mark is confusingly similar with the marks cited by the Examiner and, therefore, cannot be registered.

Sec. 123.1(d) of the IP Code, states that a mark cannot be registered if it:

- (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;

⁴ Letter dated 18 December 2008, page 2.

In this case, the Appellant seeks to register a mark for use on services that are the same or closely related to the services covered by the marks cited by the Examiner. The relevant question, therefore, is whether the Appellant's NORTHERN UNION MONEY TRANSFER AND DESIGN resembles the marks cited by the Examiner as to be likely to deceive or cause confusion.

In trademark cases, particularly in ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, no set of rules can be deduced. Each case is decided on its own merits.⁵ As the likelihood of confusion of goods or business is a relative concept, to be determined only according to the particular, and sometimes peculiar, circumstances of each case,⁶ the complexities attendant to an accurate assessment of likelihood of such confusion requires that the entire panoply of elements constituting the relevant factual landscape be comprehensively examined.⁷

The Appellant's mark and the marks cited by the Examiner are reproduced below for comparison:



Appellant's mark



Marks cited by the Examiner

A scrutiny of these marks shows that there are noticeable similarities between the Appellant's mark and the marks cited by the Examiner. The terms "UNION", "MONEY", and "TRANSFER" are present in these marks which are used on financial services covered by Class 36 of the Nice Classification. Moreover, the Appellant not only adopted the aforementioned terms but also used the color yellow in his mark giving it a similar appearance with one of the cited marks of the Examiner. There is, therefore, a likelihood of confusion that the services offered by the Appellant may be mistaken by

⁵ Emerald Garment Manufacturing Corporation v. Court of Appeals, 251 SCRA 600 (1995).

⁶ Esso Standard Eastern, Inc. v. Court of Appeals, 116 SCRA 336 (1982).

⁷ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 2001.

the consumers as the services being offered by the owner of the registered marks cited by the Examiner.

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.⁸

Significantly, the proceeding for the registration of a mark before an examiner in the Bureau of Trademarks is *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.⁹ 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.¹⁰ The Examiner will look if the trademark can be registered or not.

In this context, the Examiner and the Director were correct in rejecting the Appellant's mark that is confusingly similar to a registered mark belonging to a different proprietor. The rejection of the Appellant's trademark application is to prevent the likelihood that a consumer seeking to avail the services of the owner of the marks cited by the Examiner may be misled to believe that the Appellant and the owner of these marks refer to the same person.

The discussion of the Supreme Court in the case of *M. A. Clarke v. Manila Candy Co. (LTD.)*¹¹ is relevant in this case.

We ask, however, why, with all the birds in the air, and all the fishes in the sea, and all the animals on the face of the earth to choose from, the defendant company selected two rooster as its trademark, although its directors and managers must have been well aware of the long continued use of a rooster by the plaintiff in connection with the sale and advertisement of his goods?

There is nothing in the picture of one or more roosters which in itself is descriptive of the goods sold by the plaintiff or by the defendant corporation, or suggestive of the quality of these goods. A cat, a dog, a carabao, a shark or

⁸ *Pribhdas J. Mirpuri vs. Court of Appeals*, G.R. No. 114508, 19 November 1999.

⁹ Trademark Regulations, Rule 600.

¹⁰ Trademark Regulations, Rule 602.

¹¹ G. R. No. 10487, 23 January 1917.

an eagle stamped upon the container in which candies are sold would serve as well as a rooster for purposes of identification as the product of defendant's factory. Why did defendant select two roosters as its trademark? We cannot doubt that it was because the plaintiff's candies had acquired a certain reputation under the trademark of a rooster, and the defendant corporation hoped to profit unjustly by that reputation. Defendant knew that use of a single rooster would be prohibited as a technical infringement of plaintiff's trademark, but it hoped that it could avoid that danger by the use of two roosters; and at the same time get such advantage as it must have believed it could secure from the use of a design on the containers of its goods, not absolutely identical with that used by the plaintiff, but so similar in the dominant idea as to confuse or mislead the purchasers. Children, and for that matter the average purchasers of candies, might well be expected to recall that packages containing Clark's candies, which they had been accustomed to buy and for which they had acquired a taste, had pictures of a rooster on the outside, and to accept candies made by the defendant company as candy of the same mark, although the design used displayed two roosters in each instance instead of the single rooster used by the plaintiff.

The Appellant has in his dominion a vast choice of terms, color and designs for his mark. The Appellant's decision to adopt a mark that resembles another mark for use on similar services only indicates his intention to "profit unjustly" from the reputation built by the owner of the prior marks as those cited by the Examiner. His choice of a mark that resembles another and which is used on similar services betrays his good faith on how he arrived at using his mark. In another case, the statement of the Supreme Court of the Philippines is instructive when it held that:

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."¹²

The law on trademark and tradename is based on the principle of business integrity and common justice. This law, both in letter and spirit, is laid upon the premise that, while it encourages fair trade in every way and aims to foster, and not to hamper, competition, no one, especially a trader, is justified in damaging or jeopardizing another's business by fraud, deceit, trickery or unfair methods of any sort.¹³ To allow the registration of the Appellant's mark would, therefore, weaken the protection given to the owners of registered marks and would be contrary to the rationale of trademark registration.

¹² *American Wire & Cable Company vs. Director of Patents*, G. R. No. L-26557, 18 February 1970.

¹³ *La Chemise Lacoste, S.A. vs. Fernandez*, 129 SCRA 373 (May 21, 1984).

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 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.

SEP 08 2013 Taguig City


RICARDO R. BLANCAFLOR
Director General