



OFFICE OF THE DIRECTOR GENERAL

VITASOY INTERNATIONAL
HOLDINGS LIMITED,
Opposer-Appellant,

-versus-

SAN MIGUEL CORPORATION,
Respondent-Appellee.

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Appeal No. 14-2012-0056

IPC No. 14-2010-00068

Opposition to:

Application No. 4-2009-500287

Date Filed: 20 May 2009

Trademark: ACTIVSOY

DECISION

VITASOY INTERNATIONAL HOLDINGS LIMITED (“Appellant”) appeals the decision¹ of the Director of the Bureau of Legal Affairs (“Director”) dismissing the Appellant’s opposition to the registration of the mark “ACTIVSOY” in favor of SAN MIGUEL CORPORATION (“Appellee”).

Records show that the Appellee filed on 20 May 2009 Trademark Application No. 4-2009-500287 for ACTIVSOY for use on *ready-to-drink soy-based drinks*. The trademark application was published in the Intellectual Property Office Electronics Gazette for Trademarks on 16 November 2009. On 16 March 2010, the Appellant filed a “VERIFIED NOTICE OF OPPOSITION” claiming that it would be damaged by the registration of ACTIVSOY and alleged the following grounds for opposition:

1. It is the prior user, applicant, and registrant of the marks “VITA”, “VITASOY”, and its variants which are confusingly similar with ACTIVSOY, hence, the Appellee’s trademark application is proscribed by Sec. 123 (d) of the Intellectual Property Code of the Philippines (“IP Code”);
2. Its registrations and applications for VITA and VITASOY have filing dates much earlier than ACTIVSOY; the Appellee’s mark is a combination of the word “ACTIV” and the word “SOY” which conveys a similar meaning as its marks e.g. life, energy, vitality and well-being brought about by the health-giving soy beverages, and should not have been allowed by this Office;

¹ Decision No. 2012-155 dated 17 August 2012.

3. Sec. 123 (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 date or priority date in respect of the same goods or services, closely related goods or services, or if it nearly resembles such a mark as to be likely to deceive or cause confusion;
4. It began selling VITA products in 1976 and continues to do so in many countries all over the world. It introduced VITA and VITASOY branded products in 1996 through Sunshine Trading Ltd. and in 1998, Fly Ace Corporation became its exclusive distributor;
5. The registration of ACTIVSOY will cause grave and irreparable injury and damage to it as prior owner of the internationally well-known mark VITA and VITASOY; it is entitled to protection in the Philippines against unauthorized use or expropriation of its marks by third parties; it has obtained and continues to secure registration of its marks in many countries all over the world;
6. Its marks have acquired immense and valuable goodwill as a result of the sales generated by products bearing these marks and the enormous sums of money spent in advertising and promoting its products;
7. A comparison of ACTIVSOY and VITASOY shows confusing similarity as both marks contain the word "SOY" that is placed as the last syllable of the mark; the letters comprising "VITA" are all present in the term "ACTIV" which would surely cause confusion as to the origin of the goods in the mind of the consumer; VITA and VITASOY have been conceptualized and promoted as giving life, being alive, having vitality and energy; and
8. Considering that ACTIVSOY contains the term "ACTIV" which connotes a similar meaning to VITA, and both marks end in the word "SOY", which comprise the trade name of the Appellant, the registration of ACTIVSOY is contrary to Sec. 165.2 of the IP Code and should not have been allowed by this Office.

The Appellee filed a "VERIFIED ANSWER" dated 16 August 2010 denying the material allegations in the opposition and maintained that VITA, VITASOY and their variants are not internationally well-known. The Appellee argued that the Appellant's assertion that ACTIVSOY is confusingly similar to VITASOY has no basis in law and in fact. The Appellee claimed that while it may be true that some letters in VITASOY are present in ACTIVSOY, there are dissimilarities between these marks to make them

visually and phonetically distinct from each other. The Appellee asserted that there is no truth to the Appellant's allegation that their marks are similar in meaning.

After the appropriate proceedings, the Director issued the decision dismissing the Appellant's opposition. The Director held that ACTIVSOY does not resemble the Appellant's marks and would not likely deceive or cause confusion. According to the Director, in looks and sound, the only similarity between the competing marks is the word "soy" which is a generic term that is incapable of exclusive use as a trademark.

Not satisfied, the Appellant filed on 04 October 2012 a "NOTICE OF APPEAL WITH MEMORANDUM OF APPEAL" contending that it is the prior adopter, user and true owner of the internationally well-known marks VITA and VITASOY which are entitled to protection under the provisions of the IP Code and the Paris Convention. The Appellant maintains that ACTIVSOY is confusingly similar to its marks and will cause deception to the public as to the nature, character and sponsorship of the goods. The Appellant claims that ACTIVSOY and its marks are confusingly similar in sound, appearance and convey similar meaning. According to the Appellant, because ACTIVSOY is confusingly similar to its registered marks, the registration of ACTIVSOY should not be allowed. The Appellant also claim that the Appellee is not the prior adopter, user and true owner of ACTIVSOY which is covered by a trademark application filed in the United States Patent and Trademark Office in 2006.

The Appellee filed on 16 November 2012 a "COMMENT" arguing that the Bureau of Legal Affairs correctly held that the subject marks are not confusingly similar. The Appellee reiterates its position in the BLA that VITA, VITASOY, and their variants are not internationally well-known marks and that it is entitled to the registration of the mark ACTIVSOY.

Pursuant to Office Order No. 154, Series of 2010, Rules of Procedure for IPO Mediation Proceedings, this case was referred to mediation on 20 November 2012. Subsequently, on 21 December 2012, this Office received a copy of the "MEDIATOR'S REPORT" stating that the parties refused to mediate and accordingly, the mediation proceeding was terminated.

The issue in this appeal is whether the Director was correct in dismissing the Appellant's opposition to the registration of the mark ACTIVSOY in favor of the Appellee. Moreover, the relevant question in this case is whether ACTIVSOY is confusingly similar with the Appellant's marks, particularly VITASOY.

Sec. 123.1 (d) of the IP Code provides 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;

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.² 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,³ 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.⁴

Below are the reproductions of the Appellant's and Appellee's marks:

VITASOY VITASOY Vitasoy

Appellant's marks

ActivSoy

Appellee's mark

At a glance, one can see the differences in these marks. Although, these marks end in the same letters/word "soy", they refer to different words that a person who sees the Appellee's mark would not associate it as a variation of the Appellant's marks. In other words, there are obvious differences in the Appellant's and Appellee's marks that the Appellee's use and registration of ACTIVSOY will not likely deceive or cause confusion.

As correctly discussed by the Director:

This Bureau finds untenable the argument that since the Respondent-Applicant's mark contains all the letters in the Opposer's mark, the marks are now confusingly

² Emerald Garment Manufacturing Corporation vs. Court of Appeals, 251 SCRA 600 (1995).

³ Esso Standard Eastern, Inc. vs. CA, 116 SCRA 336 (1982).

⁴ Societe Des Produits Nestle, S.A., et.al vs. CA, et. al., G.R. No. 112012, 04 April 2001.

similar. As discussed above, "soy" is a generic term. Also, the letters "V", "I", "T", and "A" are arranged differently in the Respondent-Applicant's mark. With the additional letter "C", the letters formed the syllables "ACTIV". "ACTIV" is obviously a play on the word "active" and which has different visual and aural properties from "VITA".

Neither is there merit in the Opposer's contention that the competing marks are confusingly similar because these have similar meaning. The Respondent-Applicant is correct in pointing that:

"x x x. As Opposer admitted in the opposition, the word "VITA..." is the latin word for "life". Thus, 'vita' means 'life'. On the other hand, an online source defines the word 'active' as 'engaged in action' characterized by energetic work (and) participation...'. Even though the word 'active' can be an adjective for the word 'life' (as in 'active life'), it cannot be assumed that both words are similar in meaning, inasmuch as 'active' and 'stock market' (as in 'active stock market') do not have similar meanings. In vain, Opposer undertook to link the words 'active' and 'life' in the Opposition. The meanings of the two words are simply dissimilar; it is a stretch to correlate the two (2) meanings. x x x"⁵

In addition, a person who would buy the Appellee's products would do so not on the basis of the mistaken belief that the product is that of the Appellant's but because that is the product the person intends to buy. In one case decided by the Supreme Court of the Philippines, it was held that the ordinary purchaser must be thought of, as having, and credited with, at least a modicum of intelligence.⁶

A trademark is a visible sign capable of distinguishing the goods of an enterprise.⁷ The records of this case show that the Appellee's mark is capable of distinguishing and indicating the source of its goods. The rights in a mark shall be acquired through registration made validly in accordance with the provisions of the law.⁸ The Appellee's mark was allowed publication by the Bureau of Trademarks which means that it has complied with the provisions of the law for the registration of a mark. In the absence of a showing that this mark is confusingly similar with the Appellant's marks and that the Appellant would be damaged by the registration of the Appellee's mark, the application to register ACTIVSOY is to be given due course.

Accordingly, with the findings that the Appellant's and Appellee's marks are not confusingly similar and the fact that the Bureau of Trademarks has already allowed the publication of the Appellee's mark for having complied with the requirements for registration of the mark, this Office finds no need to resolve the other issues in this case.

⁵ Decision No. 2012-155 dated 17 August 2012, page 3.

⁶ *Fruit of the Loom, Inc. vs. Court of Appeals and General Garments Corporation*, G.R. No. L-32747, 29 November 1984.


⁷ IP Code, Sec. 121.1.

⁸ *Id.* Sec. 122.

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 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.

21 JAN 2014 Taguig City


RICARDO R. BLANCAFLOR
Director General