



DISCOVERY WORLD LTD., OAKRIDGE
PROPERTIES INC. and SOUTHERN
VISAYAS PROPERTY HOLDINGS, INC.,
Opposers,

-versus-

ALDANCO DISCOVERY RESORT, INC.,
Respondent- Applicant.

x-----x

}
} IPC No. 14-2012-00144
} Opposition to:
} Appln. Serial No. 4-2011-500854
} Filing Date: 15 June 2011
} TM: "DISCOVERY ISLAND RESORT
} AND DIVE CENTER"

NOTICE OF DECISION

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ALDANCO DISCOVERY RESORT, INC.
Respondent-Applicant
Decanitian Island, Barangay 5
Coron, Palawan

GREETINGS:

Please be informed that Decision No. 2013 - 133 dated July 17, 2013 (copy enclosed)
was promulgated in the above entitled case.

Taguig City, July 17, 2013.

For the Director:

Atty. PAUSI U. SAPAK
Hearing Officer
Bureau of Legal Affairs



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IPC No. 14-2012-00144
Case Filed: 25 May 2012

Opposition to:

Appln. Serial No.: 4-2011-500854
Date Filed: 15 June 2011

TM: "DISCOVERY ISLAND RESORT
AND DIVE CENTER"

Decision No. 2013- 133

DECISION

DISCOVERY WORLD LTD.,¹ OAKRIDGE PROPERTIES, INC. and SOUTHERN VISAYAS PROPERTY HOLDINGS, INC.² ("Opposers") filed an opposition on 25 May 2012 to Trademark Application Serial No. 4-2011-500854. The application, filed by ALDANCO DISCOVERY RESORT, INC. ("Respondent-Applicant")³, covers the mark "DISCOVERY ISLAND RESORT and DIVE CENTER" for use on "resort catering for both divers and non-divers, providing scuba diving course training, sports entertainment and recreational activities, namely, snorkeling, diving, island hopping (adventure trips), hot spring bath, accommodation reservations, café, snacks bar and restaurant, catering (food and drink), room and lodge reservation, cottages for accommodation" under Classes 35, 41 and 43 of the International Classification of Goods and Services⁴.

The Opposers anchor their opposition on the ground that the registration of Aldanco's mark "DISCOVERY ISLAND RESORT and DIVE CENTER" is prohibited under Section 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") which provides:

Section 123. Registrability. 123.1 A mark cannot be registered if it:

¹ A corporation duly organized and existing under the laws of Hong Kong, with principal business address at 228 Queen's Road East, Jonsim Place, Wanchai, Hong Kong.

² Are domestic corporations duly organized and existing under and by virtue of Philippine laws with principal address at 2/F JTKC Center, 2155 Chino Roces Avenue, Makati City, Philippines.

³ A domestic corporation organized and existing under and by virtue of Philippine Laws with place of business in Decanitian Island, Barangay 5, Coron, Palawan, Philippines.

⁴ The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks concluded in 1957.

(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 support of their opposition, Opposers submitted in evidence the following:

1. Annexes "A" to "S" – Copies of Certificates of Registrations issued by the IPO covering the trademarks DISCOVERY and its variations;
2. Annex "T" – Copy of Special Power of Attorney;
3. Annex "U" – Copy of DTI Registration for the business name "DISCOVERY CENTRE";
4. Annexes "V" to "W" – Copies of the Assignment documents whereby OPI and SVPNI assigned their respective trademarks in favor of DWL;
5. Annex "X" – Copy of exclusive license to use; (Trademark License Agreement)
6. Annex "Y" – Copy of website for Discovery Divers Resort maintain by ALDANCO, print out of the relevant page;
7. Annexes "Z", "AA", "BB", "CC", "DD" and "EE" – Copies of oppositions demand letters to ALDANCO;
8. Annexes "FF" and "GG" – Copies of the IPO website print out covering the ALDANCO's applications which were refused registrations; and
9. Annexes "HH", "II", "JJ" and "KK" – Copies of websites showing Opposers businesses bearing the DISCOVERY Trademarks.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant. However, the Respondent-Applicant did not file the required Verified Answer, hence Order No. 2012-1355 dated 18 October 2012 was issued declaring Respondent-Applicant in default and the instant opposition is deemed submitted for Decision based on the opposition and evidence submitted by the Opposers.

Should the Respondent-Applicant's trademark application be allowed?

It is emphasized that the essence of trademark registration is to give protection to the owner of the 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 products⁵.

Records show that at the time the Respondent-Applicant filed its trademark application on 15 June 2011, the Opposers have already existing trademark registrations for their

⁵ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114509, 19 November 1999.

DISCOVERY trademarks or for the mark DISCOVERY and its variations for goods and services under Classes 35, 36, 39, 41 and 43 shown in the table below:

DISCOVERY MARKS			
Trademark/Service mark	Date Filed	Application/Registration No.	Date of Registration
1. Discovery Centre	16-Jul-1999	4-1999-05118	26-Feb-2006
2. Discovery Suites and Device	16-Jul-1999	4-1999-05119	21-Jan-2006
3. Discovery Resort	26-Jul-1999	4-1999-05302	18-Sep-2004
4. The Discovery Leisure Company	6-Apr-2004	4-2004-0003256	8-Jan-2007
5. Discovery Boracay	25-Sep-2003	4-2003-0008916	1-Oct-2005
6. Discovery Shores	6-Apr-1004	4-2004-0003255	26-Feb-2007
7. Discovery Primea	22-Oct-2007	04-2007-011720	16-Jun-2008
8. Discovery Country Suites	6-Nov-2007	04-2007-012247	21-Jul-2008
9. Discovery Bay	30-Apr-2008	04-2008-005110	8-Sep-2008
10. Discovery Cove	30-Apr-2008	04-2008-005111	8-Sep-2008
11. Discovery Island	30-Apr-2008	04-2008-005112	8-Sep-2008
12. Discovery Inn	30-Apr-2008	04-2008-005113	5-Jan-2009
13. Discovery Spa	30-Apr-2008	04-2008-005114	27-Mar-2009
14. Discovery Hotel	30-Apr-2008	04-2008-005115	27-Mar-2009
15. Discovery Residences	30-Apr-2008	04-2008-005116	27-Mar-2009
16. Discovery Estate	30-Apr-2008	04-2008-005117	27-Mar-2009
17. Discovery Villas	30-Apr-2008	04-2008-005118	27-Mar-2009
18. Discovery Club	30-Apr-2008	04-2008-005119	8-Sep-2008
19. Discovery World	30-Apr-2008	04-2008-005120	8-Sep-2008

These registrations cover operations and management of hotels, apartelle, restaurants, travel, recreation, entertainment, condominium, residential suites, resorts and facilities appurtenant thereto.

A scrutiny of the mark applied for registration by the Respondent-Applicant as shown below:

DISCOVERY ISLAND RESORT AND DIVE CENTER

Respondent-Applicant's Mark

shows that it resembles the Opposers' marks, depicted below, and likely to cause confusion, or even deception:



DISCOVERY
CENTRE

DISCOVERY SHORES

DISCOVERY
COUNTRY SUITES

Discovery Island

Discovery Inn

The competing marks contain the word "DISCOVERY" which is either the trademarks registered in the name of the Opposers or the defining feature thereof. There is a slight distinction in the other portion or element of the competing marks, however, such variance is without any significance because the aural and visual similarity in the dominant or prevalent feature is already sufficient to give rise to confusing similarity. The Respondent-Applicant will use or uses the marks it applied for registration on the goods/services that are similar and/or closely related to those covered by the Opposers' registered marks. The slight distinction or variance did not diminish the likelihood of the occurrence of mistake, confusion or even deception cannot be avoided. Consumers will likely assume that the Respondent-Applicant's

marks is just a variation of or related to the Opposers' and/or the goods and services originate or provided by one party alone, or the parties themselves are connected or associated with one another which in fact there is none. The likelihood of confusion, would subsist not only on the purchaser's perception of the goods but on the origins thereof as held by the Supreme Court⁶.

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

The public interest, therefore, requires that two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception and even fraud, should be prevented.

It is stressed that the Law on Trademarks and Tradenames 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 other business by fraud, deceit, trickery or unfair methods of any sort. This necessarily precludes the trading by one dealer upon the good name and reputation built by another.


Thus, this Bureau finds that the subject trademark application is proscribed by Sec. 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code").

The Respondent-Applicant was given the opportunity to explain its side and defend its trademark application. However, it failed or chose not to do so.

WHEREFORE, premises considered the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2011-500854 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 17 July 2013.


ATTY. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

/pausi/joanne

⁶ Converse Rubber Corporation v. Universal Rubber Products, Inc., et.al. G.R. No. L-27906, 08 Jan. 1987.