



MARTELL & CO., S.A.,
Opposer,

-versus-

TEQUILA CUERVO S.A. de C.V.,
Respondent- Applicant.

X-----X

}
} IPC No. 14-2009-000150
} Opposition to:
} Appln. Serial No. 4-2008-011229
} (Filing Date: 16 September 2008)
} TM: "JOSE CUERVO
} BLACK MEDALLION"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 156 dated June 16, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 16, 2014.

For the Director:


Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



MARTELL & CO., S.A.	}	IPC NO. 14- 2009-000150
Opposer,	}	Opposition to:
	}	
-versus-	}	Application No. 4-2008-011229
	}	(Filing Date: 16 September 2008)
	}	
TEQUILA CUERVO S.A. de C.V.,	}	Trademark: " JOSE CUERVO
Respondent-Applicant.	}	BLACK MEDALLION "
	}	
X-----X	}	Decision No. 2014- <u>156</u>

DECISION

MARTELL & CO., S.A. (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2008-011229. The application, filed by **TEQUILA CUERVO S.A. de C.V.** (Respondent-Applicant)², covers the mark "**JOSE CUERVO BLACK MEDALLION**", for use on "*tequila, alcoholic cocktail mixes containing tequila, wine spirits*" under Class 33 of the International Classification of Goods and Services³.

The Opposer relies on the following grounds in support of its Opposition:

"1. OPPOSER is the prior and original owner of the trademark MEDAILLON ('medaillon' means 'medallion' in French) for alcoholic beverages (except beers) and also owns registrations of this mark including its name in almost all countries in the world particularly in the European Community. In the Philippines, Opposer has registered the mark under Certificate of Registration No. 4-2004-009006 issued on November 20, 2006 for 'alcoholic beverages (except beer)' in class 33.

"2. OPPOSER'S mark is confusingly similar with the Respondent-Applicant's mark 'JOSE CUERVO BLACK MEDALLION' for 'tequila, alcoholic cocktail mixes containing tequila, wine spirits' in class 33.

"3. The use of the Respondent-Applicant's mark would indicate a connection between its goods and those of the Opposer to the damage and prejudice of the Opposer's goodwill and interests. In other words, the use of the Respondent-Applicant's mark will cause confusion and mistake upon, or deceive purchasers in that the purchasers will tend to believe that the Respondent-Applicant's goods are those of, or coming from the Opposer. Hence, under Sec. 123.1 (d), (e) and (f) and Section 147 of R.A. 8293, the Respondent-Applicant's mark cannot be registered.

¹ A corporation organized and existing under the laws of France with address at Place Edouard Martell, 16100 Cognac, France

² A corporation incorporated in Mexico with address at Avenida Periferico Sur #8500, Tiaquepaque, Jalisco, CP 45601

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

“4. That based on an existing Co-Existence Agreement between the Opposer and the Respondent-Applicant sometime in 2005, the respondent-applicant violated its undertaking when it filed an application in the Philippines under Application No. 4-2008-011229 because according to par. 1.2 of the said Co-Existence Agreement, the Respondent-Applicant is only authorized to register and use the trademark ‘JOSE CUERVO BLACK MEDALLION’ according to the representation provided in the said Co-Existence Agreement, x x x including the representation of the respondent-applicant’s mark, as agreed upon by the parties; Contrary to the undertaking by the Respondent-Applicant, the latter applied for the registration of the mark in plain block letters covering goods other than ‘tequila’ namely alcoholic cocktail mixes containing tequila and wine spirits. Thus, the Respondent-Applicant violated its undertaking provided for under Art. 1.2 of the said Co-Existence Agreement.”

According to the Opposer:

“a. The trademark ‘JOSE CUERVO BLACK MEDALLION’ of the Respondent-Applicant is confusingly similar with the trademark ‘MARTELL MEDAILLON’ of the Opposer in terms of general appearance and impression and will likely cause confusion, mistake and deception on the part of the purchasing public with respect to the goods all belonging under the same class 33;

“b. The trademark ‘MARTELL MEDAILLON (label)’ has been registered by the Opposer in France since 23 June 2004. In the Philippines, the Opposer has already registered the mark ‘MARTELL MEDAILLON (label)’ under Certificate of Registration No. 4-2004-0009006 issued on November 20, 2006.

“c. Considering that the trademark ‘MEDAILLON’ is confusingly similar with the Respondent-Applicant’s mark- ‘BLACK MEDALLION’, the Opposer deserves protection under the Intellectual Property (IP) Code of the Philippines, particularly Sections 123, 134, 147 and relevant Sections thereof.

“d. Opposer has obtained and continues to obtain registrations for its mark in the Intellectual Property Office of various countries around the world.

“e. The use of the Respondent-Applicant of the confusingly similar mark ‘JOSE CUERVO BLACK MEDALLION’ on its goods would indicate a connection between those goods and the Opposer, thereby damaging the interests of the Opposer.

“f. Opposer will be damaged in its proprietary rights/interests and business reputation by the registration of the Respondent-Applicant’s mark considering that the Opposer’s mark has been long established and has obtained goodwill and consumer recognition not only in the Philippines but internationally as well. The distinctiveness of the said mark will be diluted, and will allow Respondent-Applicant to unfairly benefit from and get a free ride on the Opposer’s mark which it has used long before Respondent-Applicant adopted and granted using the same and confusingly similar mark.

“g. That based on an existing Co-Existence Agreement between the Opposer and the Respondent-Applicant sometime in 2005, the Respondent-Applicant violated the undertaking when it filed its application in the Philippines which is now the subject matter of this opposition because according to par 1.2 of the said Co-Existence Agreement in 2005, the Respondent-Applicant is only authorized to register and use the trademark ‘JOSE CUERVO BLACK MEDALLION’ according to the representation provided in the said Co-Existence Agreement, and said mark should only cover ‘tequila’ and no other products like ‘alcoholic cocktail mixes containing tequila and wine spirits.

The Opposer submitted as evidence the following:

1. certified true copy of Certificate of Reg. No. 4-2004-009006, issued on 30 March 2009 for the mark MARTELL MEDAILLON (ETIQUETTE 2004);
2. printout of the webpage showing the status of the Respondent-Applicant's trademark application;
3. list of trademark registrations and applications for the mark MARTELL MEDAILLON in various countries;
4. copies of the two AGREEMENTs signed by the parties on 24 June 2005 and 30 May 2005;
5. legalized and authenticated Affidavit of Fabienne Bertin, dated 9 June 2009, and the annexes thereto; and
6. representations of the mark JOSE CUERVO BLACK MEDALLION in the parties' AGREEMENTs.

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 14 July 2009. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 31 January 2011 Order No. 2011-142 declaring the Respondent-Applicant in default.

Should the Respondent-Applicant be allowed to register the trademark JOSE CUERVO BLACK MEDALLION?

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 Thus, Sec. 123.1 (d) of Rep. Act No.8293, also known as the Intellectual Property Code of the Philippines ("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.

Records and evidence show that when the Respondent-Applicant filed its application on 16 September 2008, the Opposer already has an existing registration for the trademark MARTELL MEDAILLON (ETIQUETTE 2004)⁵ issued on 20 November 2006 (No. 4-2004-009006) covering goods under class 33 namely: "*alcoholic beverages (except beer)*".

But, are the competing marks confusingly similar?

Jurisprudence says that a practical approach to the problem of similarity or dissimilarity is to go into the whole of the two trademarks pictured in their manner of display. Inspection should be undertaken from the viewpoint of the prospective buyer. The trademark complained should be compared and contrasted with the purchasers

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

⁵ Exhibits "A".

memory of the trademark said to be infringed. Some factors such as sound; appearance; form, style, shape, size or format; color, idea connoted by the mark; the meaning, spelling and pronunciation of the words used; and the setting in which the words used; may be considered for indeed, trademark infringement is a form of unfair competition.⁶

In this regard, the word MEDALLION in the mark applied for registration by the Respondent-Applicant is practically identical in appearance, sound and idea conveyed, to the word MEDAILLON in the Opposer's registered mark. That, on one hand the Respondent-Applicant's mark also includes the words "JOSE CUERVO", and on the other the Opposer's mark carries the word "MARTELL", is of no moment. The word MEDALLION or MEDAILLON is not the generic name nor is descriptive of any kind of wine, spirits or alcoholic beverage. It is designed or meant to be a distinctive and registrable feature in each of the competing marks, one that draws the eyes and the ears and leaves impression in the consumers' minds or consciousness about the goods and their origin.

Thus, because the Respondent-Applicant will use or uses the mark it applied for registration on goods that are similar and/or closely related to those covered by the Opposer's registered mark, there is the likelihood for the consumers to assume that the one mark is just a variation of or related to the other, and/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 origin thereof as held by the Supreme Court.⁷

Succinctly, the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. To constitute an infringement of an existing trademark, patent and warrant a denial of an application, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake, it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it⁸.

Furthermore, the Opposer submitted copies of two AGREEMENTs it supposedly reached with the Respondent-Applicant. The documents state undertakings or commitments by the parties in connection with the use of marks containing the word MEDALLION or MEDAILLON. This Bureau finds significance in the AGREEMENTS - not as a matter of enforcing them - but as to the indication that the parties themselves yield to the premise that their respective marks containing the word MEDALLION or MEDAILLON are confusingly similar.

It must be emphasized that the Respondent-Applicant was given an opportunity to defend its trademark application. However, it chose not to.

⁶ Clarke v. Manila Candy Co. 36 Phil. 100, 106; Co Tiong SA v. Director of Patents 95 Phil. 1, 4.


⁷ Converse Rubber Corporation v. Universal Rubber Products, Inc., et.al. G.R. No. L-27906, 08 Jan. 1987.

⁸ See American Wire and Cable Co. v. Director of Patents et.al. (SCRA 544) G.R. No. L-26557, 08 Jan. 1987.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-011229 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 16 June 2017.



Atty. **NATHANIEL S. AREVALO**
Director IV, Bureau of Legal Affairs