



MCDONALD'S CORPORATION,
Opposer,

-versus-

BERNABEST FOOD PRODUCTS, INC.,
Respondent –Applicant.

X-----X

}
} IPC No. 14-2012-00606
} Opposition to:
} Appln. Serial No. 4-2011-500811
} Date Filed: 09 June 2011
} TM: "MAC HOT DOG LABEL"
}

NOTICE OF DECISION

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BERNABEST FOOD PRODUCTS, INC.,
Respondent-Applicant
118 D. Arellano Street, Street, Bagong Barrio
Caloocan City

GREETINGS:

Please be informed that Decision No. 2014 - 105 dated April 14, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 14, 2014.

For the Director:


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



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-versus-

BERNABEST FOOD PRODUCTS, INC.,
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IPC No. 14-2012-00606
Opposition to Trademark
Application No. 4-2011-500811
Date Filed: 09 June 2011
Trademark: **"MAC HOT DOG
"LABEL"**

Decision No. 2014- 105

DECISION

McDonald's Corporation¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-500811. The contested application, filed by Bernabest Food Products, Inc.² ("Respondent-Applicant"), covers the mark "MAC HOT DOG LABEL" for use on *"hotdogs made from and/or combined with meat, fish and poultry based food products, preserved, frozen, dried and cooked fruit and vegetable products, eggs, and milk and milk products"* under Class 29 of the International Classification of Goods³.

The Opposer anchors its opposition on the provisions of Section 123 subparagraphs (d), (e) and (f) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). It avers that the Supreme Court in the case of McDonald's vs. L.C. Big Mak Burger, Inc. has noted that as owner, it has practiced a method of combining "Mc" and "Mac" with a common word descriptive or generic name of the goods or services it is offering or has designated in its trademark applications or registrations. Thus, it asserts that Respondent-Applicant's adoption of the prefix "MAC" makes the applied mark confusingly similar to its family of marks. In addition, it claims that in the Philippines and in various countries around the world, it has registered, used and promoted its internationally well-known family of marks for various foods, beverages and restaurant services under Classes 28, 29, 30, 32 and 43.

In support of its Opposition, the Opposer submitted certified true copies of its certificates of registration and of sample decisions favorable to McDonald's, all issued

¹ A corporation organized and existing under the laws of the State of Delaware, USA with office address at One McDonald's Plaza, Oak Brook, Illinois, USA.

² With given address at 118 D. Arellano Street Bagong Barrio, Caloocan City, Philippines.

³ 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.

Republic of the Philippines

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by the Intellectual Property of the Philippines (IPOP HL), and the authenticated affidavit of Ms. Sheila Lehr⁴.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 09 February 2013. The Respondent-Applicant, however, did not file an Answer. Accordingly, the Hearing Officer issued on 24 October 2013 Order No. 2013-1474 declaring the Respondent-Applicant in default and the case submitted for decision.

The issue to be resolved in this case is whether Respondent-Applicant mark "MAC HOTDOG LABEL" should be allowed.

The records reveal that at the time Respondent-Applicant filed for an application of registration of its mark "MAC HOTDOG LABEL" on 09 June 2011, the Opposer has valid and existing registrations of its marks bearing the prefixes "Mc" or "MAC" issued as early as 1985⁵. Now, it must be determined whether the contending marks are confusingly similar.

The Supreme Court in the case of **McDonald's Corporation vs. MacJoy Fast Food Corporation**⁶ has noted and upheld as characteristic the Opposer's trend of adopting marks that appropriate either its "M" logo or the prefixes "Mc" or "MAC", to wit:

"To begin with, both marks use the corporate 'M' design logo and the prefixes 'Mc' and/or 'Mac' as dominant features. The first letter 'M' in both marks puts emphasis on the prefixes 'Mc' and/or 'Mac' by the similar way in which they are depicted i.e. in an arch-like, capitalized and stylized manner.

For sure, it is the prefix 'Mc,' an abbreviation of 'Mac,' which visually and aurally catches the attention of the consuming public. Verily, the word 'MACJOY' attracts attention the same way as did 'McDonalds,' 'MacFries,' 'McSpaghetti,' 'McDo,' 'Big Mac' and the rest of the MCDONALD'S marks which all use the prefixes Mc and/or Mac.

Besides and most importantly, both trademarks are used in the sale of fastfood products. Indisputably, the respondent's trademark application for the 'MACJOY & DEVICE' trademark covers goods under Classes 29 and 30 of the International Classification of Goods, namely, fried chicken, chicken barbeque, burgers, fries, spaghetti, etc. Likewise, the petitioner's trademark registration for the MCDONALD'S marks in the Philippines covers goods which are similar if not identical to those covered by the respondent's application.

⁴ Marked as Exhibits "B" to "U", inclusive.

⁵ See Exhibit "B".

⁶ G.R. No. 116115, 02 February 2007.

Thus, we concur with the IPO's findings that:

In the case at bar, the predominant features such as the 'M,' 'Mc,' and 'Mac' appearing in both McDonald's marks and the 'MACJOY & DEVICE' easily attract the attention of would-be customers. Even non-regular customers of their fastfood restaurants would readily notice the predominance of the 'M' design, 'Mc/Mac' prefixes shown in both marks. Such that the common awareness or perception of customers that the trademarks McDonalds mark and MACJOY & DEVICE are one and the same, or an affiliate, or under the sponsorship of the other is not far-fetched.

The differences and variations in styles as the device depicting a head of chicken with cap and bowtie and wings sprouting on both sides of the chicken head, the heart-shaped 'M,' and the stylistic letters in 'MACJOY & DEVICE;' in contrast to the arch-like 'M' and the one-styled gothic letters in McDonald's marks are of no moment. These minuscule variations are overshadowed by the appearance of the predominant features mentioned hereinabove.

Thus, with the predominance of the letter 'M,' and prefixes 'Mac/Mc' found in both marks, the inevitable conclusion is there is confusing similarity between the trademarks Mc Donald's marks and 'MACJOY AND DEVICE' especially considering the fact that both marks are being used on almost the same products falling under Classes 29 and 30 of the International Classification of Goods i.e. Food and ingredients of food. (Emphasis supplied.)

Perusing Respondent-Applicant's mark below,



inevitably leads this Bureau to the same conclusion reached by the Supreme Court in the above-quoted case. Despite the other ornaments surrounding the applied mark, the words "Mac Dog" will attract the attention of a purchaser considering that these words are placed at the center and in large fonts. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchased as to cause him to purchase the one supposing it to be the other.⁷ In this case, the words "Mac Dog" or "Mac Hotdog" in Respondent-Applicant's mark are clearly consonant with Opposer's family of marks in which "Mc" or "Mac" is attached to a generic or descriptive word pertaining to the particular segment of its food and restaurant

⁷ Societe des Produits Nestle,S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

business which the mark will be used. Aptly, the Supreme Court in **American Wire & Cable Company vs. Director of Patents**⁸ ruled that:

"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."

Succinctly, since the Respondent-Applicant will use or uses the mark "MAC HOT DOG LABEL" on Class 29, which is also covered by the Opposer's registration, it is highly probable that the purchasers will be led to believe that Respondent-Applicant's mark is sponsored by, affiliated with or in any way connected with the Opposer. Noteworthy, in a much earlier McDonald's case⁹, the Supreme Court pronounced that the registered trademark owner may use his mark on the same or similar products, in different segments of the market, and at different price levels depending on variations of the products for specific segments of the market. The Court has recognized that the registered trademark owner enjoys protection in product and market areas that are the normal potential expansion of his business.

Moreover, it is settled that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. 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 he 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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist."¹⁰

Furthermore, it is emphasized that 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.¹¹ Based on the above discussion, Respondent-Applicant's trademark fell

⁸ G.R. No. L-26557, 18 February 1970.

⁹ McDonald's Corporation vs. L.C. Big Mak Burger, Inc., G.R. No. 143993, 18 August 2004.

¹⁰ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

¹¹ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

short in meeting this function. The latter was given ample opportunity to defend its trademark application but Respondent-Applicant failed to do so.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1(d) of the IP Code which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor with an earlier filing or priority date, with respect to the same or closely related goods or services, or has a near resemblance to such mark as to likely deceive or cause confusion.¹²

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2011-500811 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 14 April 2014.



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

¹² Great White Shark Enterprises, Inc. vs. Danilo M. Caralde, G.R No. 192294, 21 November 2012.