MANDARIN ORIENTAL SERVICES B.V., Opposer, **-versus-** **UNI-AGRO NATIVE PRODUCTS, INC.,** Respondent- Applicant.	}	**IPC No. 14-2009-00009** Opposition to: Appln. Serial No. 4-2007-009120 Date Filed: 22 August 2007 **TM: "MANDARIN LABEL MARK"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 234 dated September 26, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 26, 2014.

For the Director:

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

MANDARIN ORIENTAL SERVICES B.V., *Opposer,*	**IPC No. 14-2009-00009** **Case Filed: 07 January 2009**
-versus-	**Opposition to:** **Application No. 4-2007-009120** **Date Filed: 22 August 2007** **Trademark: "MANDARIN LABEL MARK"**
UNI-AGRO NATIVE PRODUCTS, INC., *Respondent-Applicant.*	
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DECISION

MANDARIN ORIENTAL SERVICES B.V.[1] ("Opposer") filed an opposition to Trademark Application Serial No. 4-2007-009120. The application, filed by Uni-Agro Native Products, Inc.[2] ("Respondent-Applicant"), covers the mark "MANDARIN LABEL MARK " for use on "*sack of rice*" under Class 30 of the International Classification of Goods and Services.[3]

The Opposer alleges:

x x x

"PRELIMINARY STATEMENT

"3. Opposer is the true, lawful and rightful owner of the marks "MANDARIN (wordmark)," "FAN DEVICE," and "MANDARIN ORIENTAL & FAN DEVICE" (hereinafter collectively referred to as the "MANDARIN Trademarks"). Respondent-Applicant's appropriation and use of the trademark "MANDARIN LABEL MARK" infringes upon the Opposer's exclusive right to use the well-known and world-famous MANDARIN Trademarks which are protected under Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"), and relevant jurisprudence.

"GROUNDS

"Opposer relies on the following grounds to support its Opposition:

"4.1 Opposer is the true owner and rightful proprietor of the MANDARIN Trademarks that are used on various goods in Classes 3, 14, 16, 18, 25 and 30 as well as

[1] A foreign corporation organized and existing under the laws of the Kingdom of Netherlands, with principal office address at Diepenbrockstraat 19 1077 VX Amsterdam, The Netherlands.
[2] With address at #272 M.H. Del Pilar Street, Maysilo, Malabon City.
[3] The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a 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 Purposes of the Registration of Marks concluded in 1957.

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on services in Classes 35, 36, 41, 42, 43 and 44 and has caused their registration in different jurisdictions around the world.

"4.2 Respondent-Applicant's application for the trademark "MANDARIN LABEL MARK", which is identical with, or confusingly similar to the well-known MANDARIN Trademarks and is used on identical or similar goods in Class 30 as that of the Opposer's, cannot be registered by virtue of Section 123.1 (d) of the IP Code.

"4.3 Opposer's MANDARIN Trademarks are internationally and locally well-known and are entitled to protection.

"4.4 Respondent-Applicant's adoption and use of Opposer's MANDARIN Trademarks in its inferior and less prestigious goods in Class 30 dilutes the public's association of the MANDARIN Trademarks with Opposer's other unrelated goods and services.

"4.5 Opposer's "FAN DEVICE" mark is protected under copyright and, hence, cannot be appropriated as a trademark.

x x x

"5.1 Opposer, MANDARIN ORIENTAL SERVICES, B.V., is the true owner and originator of the world famous MANDARIN Trademarks since its conceptualization between 3 April 1984 and 1 June 2005. The "FAN DEVICE," in particular, with which any Mandarin Oriental hotel in all parts of the world is always associated with, is a symbol which has been considered synonymous to Opposer's luxury hotel and resort businesses.

"5.2 The Opposer is a private limited liability company incorporated on 24 December 1984 and is wholly owned by Mandarin Oriental International Limted ("MOIL") which was established in 1986 for the investment in and management of luxury hotels and resorts around the world. The first hotel started its operations since 1963 with its own symbols and environment. Problems arose as new hotels opened across the Asia Pacific for lacking of standardization.

"5.3 Hence, in 1985, Opposer began its quest for an identity and image which would reflect its world-class elegance and luxurious character. With the need for a new name and a new trademark in mind, MOIL sought help from Pentagram Design Limited ("Pentagram"), a design house based in London and New York, managed by Alan Fletcher and his seven partners.

"5.4 In the conceptualization of the Mandarin Oriental's identity, Pentagram envisaged a logotype with a delicate balance blended with an Oriental flavor, but without being overly ethnic, and with a connotation of class, leisure, elegance and comfort.

"5.5 First, it was agreed to change the name from Mandarin International Hotels to Mandarin Oriental Hotel Group ("Hotel Group" or "Group"). The new title incorporates the names and identity of the Group's "flagship" hotels – the Mandarin, Hong Kong and the Bangkok Oriental – and is a perfect "umbrella" under which the Group's eight properties – then named either Mandarin or Oriental – reside.

"5.6 Thereafter, Pentagram presented its logotype. The mark which won the Group's approval was the "FAN DEVICE." Classically simple, visually elegant and indisputably a part of the Orient, the fan ties together the members of the Group into a single identity and a single image.

"5.7 To complete the emblem, the name of the hotel is inscribed beneath the fan. The typeface was chosen for its classical and sophisticated simplicity, which strongly conveys the "western" element of the Group. The use of each hotel's name in the same typeface reinforces the Group's, or member of the Group's, identity of each property. Hence, the birth of the Fan Device.

"5.8 To reiterate, Opposer's "FAN DEVICE" is a symbol which embodies its luxurious and elegant image and is reflective of each of its hotel's local charm. With Respondent-Applicant's registration of the same Fan Device, and worse, with the word "MANDARIN" printed beneath it, there will be a gradual whittling away or dispersion of the unique identity which the Opposer has spent a large amount of money on to develop. "Uniqueness or singularity" is an essential trademark right and Opposer has the right to preserve and protect the same.

x x x

"6.1 A comparison of Opposer's MANDARIN Trademarks and Respondent-Applicant's "MANDARIN LABEL MARK" reveals an uncanny similarity between the conflicting marks due to the fact that the Respondent-Applicant's mark appropriates the dominant elements of the Opposer's marks, i.e. the word "MANDARIN," and the "FAN DEVICE" leading to confusion among the buying public as to the source of the product:

x x x

"6.2 In resolving the issue of confusing similarity, courts have resorted to the Dominancy Test which focuses on the similarity of the prevalent, essential or dominant features of the competing marks. In the instant case, the dominant features of Opposer's mark are the "FAN DEVICE" and the word "MANDARIN" below it. Respondent-Applicant unmistakably copied those elements and made them the dominant elements of his own "MANDARIN LABEL MARK." The marks "MANDARIN (word mark)" and "FAN DEVICE" are distinguishing elements of the MANDARIN Trademarks which are all embodied in Respondent-Applicant's "MANDARIN LABEL MARK." Obviously, Respondent-Applicant's "MANDARIN LABEL MARK" is but a slavish copy of Opposer's MANDARIN Trademarks.

"6.3 It is inconsequential that Respondent-Applicant's "MANDARIN LABEL MARK" possesses additional elements not found in any of Opposer's MANDARIN Trademarks. A person who infringes a trade mark does not normally make an exact copy but makes only colorable changes, employing enough points of similarity to confuse the public with enough points of differences to confuse the courts. In this case, Respondent-Applicant took Opposer's registered wordmark "MANDARIN" and appropriated it as its own by giving it a stylized font and a plate device. Respondent-Applicant made even less changes with respect to the registered "FAN DEVICE," by merely adding a representation of a bird or fowl in front of it. Nevertheless, despite those additions, the trademarks of Opposer are still unmistakably manifest.

"6.4 It is important to mention the general rule that likelihood of confusion is not avoided between otherwise confusingly similar marks merely by adding or deleting a house mark or matter that is descriptive or suggestive of the named goods or services. Sometimes, the rule is expressed in terms of the dominance of the common term. Therefore, if the dominant portion of both marks is the same, then confusion may be likely notwithstanding peripheral differences.

"6.5 When viewed in their entirety, the competing marks project an identical overall commercial impression. Despite Respondent-Applicant's addition of a representation of a bird or fowl which overlaps the fan device and a horizontally-elongated octagonal device with border designs containing the stylized word "Mandarin," it is undeniable that the Opposer's MANDARIN Trademarks and Respondent-Applicant's trademark are conceptually, visually, phonetically, and aurally identical.

"6.6 Indeed, Respondent-Applicant's use of the word "MANDARIN" alone, even without Opposer's "FAN DEVICE," in its "MANDARIN LABEL MARK" is already a source of confusion, since in buying goods, the purchasing public identifies the brand name using the word mark and not by the device/s used on the mark.

"6.7 It has been ruled that if a mark comprises a word and a design, greater weight is often given to the word, because it is the word that purchasers would use to refer to or request that goods or services. In fact, the design element in a mark is less important than the word element in creating an impression. While the design is not ignored, the fact is that the purchasing public is more likely to rely on the word portion of the mark, as an indication of source. Consequently, the earlier registration of Opposer for the "MANDARIN" wordmark in Class 30 should be enough to proscribe the registration of Respondent-Applicant's mark in Class 30 even though the junior mark has been adorned with superfluous devices.

"6.8 In Shangri-la International Hotel Management, Ltd. V. Developers Group of Companies, Inc., the Supreme Court elaborated on what can be considered as intentional and malicious copying:

> "...When a trademark copycat adopts the word portion of another's trademark as his own, there may still be some doubt that the adoption is intentional. But if he copies not only the word but also the word's exact font and lettering style and in addition, he copies also the logo portion of the trademark, the slightest doubt vanishes. It is then replaced by the certainty that the adoption was deliberate, malicious and in bad faith."

"6.9 While the use of the word "Mandarin" may produce doubts as to whether its appearance on Respondent-Applicant's mark was coincidental, the fact that the "FAN DEVICE" was also used should dispel any uncertainty that Respondent-Applicant purposely appropriated and employed Opposer's registered marks in its "MANDARIN LABEL MARK." It has been stated that when a manufacturer prepares to package his product, he has before him a boundless choice of words, phrases, colors and symbols sufficient to distinguish his product from the others. In this case, what are the chances of Respondent-Applicant inadvertently choosing the same words and symbols that are registered trademarks of Opposer, though the field of its selection was so broad? The inevitable conclusion is that it was done deliberately, maliciously and in bad faith.

"6.10 It is truly difficult to understand why, of the millions of terms and combinations of letters and designs available, Respondent-Applicant had to choose exactly the same mark and logo as that of the Opposer, if there was no intent to take advantage of the goodwill of Opposer's MANDARIN Trademarks. Further proof of Respondent-Applicant's intent to deceive and mislead the average or ordinary purchaser is the fact that the registration for the "MANDARIN LABEL MARK" is sought to cover identical and/or related Class 30 goods as those of the Opposer's. The goods of the Respondent-Applicant and the Opposer belong to the same class as shown by the comparative table below:

x x x

"6.11 Respondent-Applicant's use of the "MANDARIN LABEL MARK" on sack of rice falsely suggest a connection with the Opposer and would inevitably cause the buying public to confuse the Respondent-Applicant's goods as those of the Opposer's.

"6.12 Respondent-Applicant is not the owner of the mark "MANDARIN LABEL MARK" nor is it authorized by the Opposer to file an application for the registration of said mark. Considering that the Respondent-Applicant's mark is identical to, and nearly resembles, Opposer's "MANDARIN" wordmark and "FAN DEVICE," Respondent-Applicant's Application No. 4-2007-001920 should not be allowed to proceed to registration pursuant to Section 123.1 (d) of the IP Code.

x x x

"7.1 As the owner and rightful proprietor of the internationally well-known MANDARIN Trademarks, Opposer has caused the filing of numerous trademark applications, and has obtained more than one thousand (1,000) registrations of its trademarks covering various Classes of goods and services. In addition, Opposer has over two hundred (200) pending applications covering various classes in different jurisdictions.

"7.2 This Honorable Office will appreciate that it would be very unrealistic and extremely costly to provide certified copies of all trademark registration certificates. As an alternative, Opposer obtained a representative sample of its trademark registrations issued by countries from each region of the world. The following registrations are a representative sample for the MANDARIN Trademarks:

x x x

"7.3 In the Philippines, the Opposer has also registered its MANDARIN Trademarks. The following trademark registrations under Classes 03, 14, 16, 18, 25, 30, 35, 39 and 42 have been granted to the Opposer by the Bureau of Trademarks of the IPO, to wit:

x x x

"Certified true copies of selected Philippine trademark registrations are attached here to and made integral parts hereof as Exhibits "X" to "AA".

"7.4 Section 123.1 (e) prohibits the registration of a mark which is identical or confusingly similar to a well-known trademark in the same Class. Clearly, being the

legitimate owner of the well-known MANDARIN Trademarks, Opposer has the right to prevent Respondent-Applicant from the unlawful appropriation thereof.

"7.5 The Opposer has been continuously using the MANDARIN Trademarks as early as 1985. The "MANDARIN" word mark was registered in Class 25 as early as 1960 in Hong Kong and Malaysia. The "FAN DEVICE" was registered in Classes 16 and 30 as early as 1985 in Malaysia and the United Kingdom. The "MANDARIN ORIENTAL & FAN DEVICE" trademark was first registered in Class 42 in 1986 in the United Kingdom.

"7.6 In the Philippines, the MANDARIN Trademarks were used as early as 1976. Such local commercial use is attested to by Opposer's hotel site in the Philippines, the Mandarin Oriental Manila. Opposer has continuously marketed and advertised its accommodation and other services as well as its food, beverage and other products in the Philippines through Mandarin Oriental since 1976.

"7.7 Likewise, as proof of its legitimate and continuing use of the MANDARIN Trademarks in the Philippines, original FAN DEVICE labels which are attached by Opposer to its Class 30 goods being sold in the Philippines are also presented herewith as Exhibit "BB" and made an integral part of this Opposition. Moreover, samples of sachets of sugar (while and brown) and coffee bearing the "FAN DEVICE" are attached hereto as Exhibit "CC" and made an integral part hereof.

"7.9 In addition to its advertisements, Opposer has also distributed promotional materials in the Philippines such as its hotel directories.

"7.10 Opposer has been featured in several magazine articles showing its use of the MANDARIN Trademarks. Samples of these magazines and articles are contained in a list attached hereto and made integral parts hereof as Exhibit "EE".

"7.11 Opposer has also been featured in several newspaper articles which show its use and promotion of the MANDARIN Trademarks. Samples of these newspapers and articles are attached hereto and made integral parts hereof as Exhibits "FF".

"7.12 Opposer launched a website with the domain name www.mandarinoriental.com which promotes and sells goods and services bearing the MANDARIN Trademarks. Print-outs of Opposer's website showing the MANDARIN Trademarks are attached hereto and marked as an integral part hereof as Exhibit "GG" respectively. Furthermore, the MANDARIN Trademarks can be viewed and are advertised in various websites. Printed pages of each website are attached hereto and made integral parts hereof as Exhibits "HH" to "II".

"7.13 Opposer likewise conducts extensive advertising/promotional campaigns for goods and services bearing the Mandarin Trademarks worldwide. The award-winning international advertising "He's a Fan/She's a Fan" campaign (the "Fan Campaign," for brevity) has been running for nearly ten (10) years covering different media channels, including magazine, in-flight TV channels and billboards, around the world. This advertisement campaign simply connects the Group's well-recognized symbol - the fan - with international celebrities who regularly stay at the hotels and consider themselves to be fans of the Group. The total expenditure for the Fan Campaign

in 2007 is over Five Million U.S. Dollars (USD 5,000,000.00) and is expected to reach the same amount in 2008.

"7.15 Over the years, Opposer has been recognized consistently by influential publications as an outstanding hotel company. Mandarin Oriental hotels all over the world have won awards, a list thereof is attached hereto as Exhibit "EE". In the Philippines, Mandarin Oriental Hotel Manila has consistently bagged various awards over the years. Mandarin Oriental Hotel Manila was hailed as the Department of Tourism's KALAKBAY Awards Hall of Fame "Hotel of the Year". It is also five-time over-all champion in the "Chefs on Parade" annual culinary competition conducted by the Hotel and Restaurant Associations of the Philippines.

"7.16 Below is a table of Opposer's worldwide total revenue in the past three (3) years.

"7.17 Based on the foregoing, it is clear that the MANDARIN Trademarks have acquired substantial goodwill and reputation over the years, elevating them to the level of well-known and world-famous marks as a result of advertising/promotional activities, coupled with the continuous use of the said marks. All said, the registration of the trademark "MANDARIN LABEL" in the name of Respondent-Applicant would cause incalculable damage to the Opposer's reputation and general business standing.

"7.18 In view of Opposer's prior use, registrations and applications for its locally and internationally well-known MANDARIN Trademarks, Respondent-Applicant's Trademark Application No. 4-2007-009120 for the registration of the mark "MANDARIN LABEL MARK", which is identical to Opposer's MANDARIN Trademarks and is used on the same goods as those of Opposer's, should not be allowed to proceed to registration pursuant to Sections 123.1 (e) of the IP Code and existing jurisprudence.

x x x

"8.1 What is worse is that Respondent-Applicant's use of the trademark "MANDARIN LABEL MARK" undoubtedly diminishes the distinctiveness and dilutes the goodwill associated with Opposer's MANDARIN Trademarks which have become distinctive in relation to, and practically synonymous with, the goods and services offered by Opposer in its hotels and resorts all over the world.

"8.2 Dilution results when use of a mark by others generates awareness that the mark no longer signifies anything unique, singular or particular, but instead may (or does) denominate several varying items from varying sources. In short, when use of the same or similar marks by others has caused a mark to become less distinctive than before, it has been diluted.

"8.3 The Respondent-Applicant's use or modification of Opposer's Mandarin Trademarks to identify the former's rice products in Class 30 raises the possibility that Opposer's mark will lose its ability to serve as a unique identifier of the Opposer's goods and services in other Classes aside from Opposer's Class 30 goods. In the same manner, Opposer's reputation and commercial value will be diminished because the public will associate the lack of quality or prestige in Respondent-Applicant's good with Opposer's Class 30 goods or even with its hotel and resort accommodation services.

"8.4 Opposer's internationally and locally well-known fan device is highly distinctive as it has no logical relationship to Opposer's hotel and resort businesses especially to the food and beverage offered therein. This distinctiveness is protected under our laws, specifically under Paragraph (f) of Section 123.1 of the IP Code as restated under Section 147.2 of the same Code. Said provisions are based on the judgment that the "stimulant effect: of a distinctive and well-known mark is a powerful selling tool" that deserves legal protection and such protection extends to unrelated goods provided that there is confusion as to goods and/or source and that the interest of the owner of the well-known mark is likely to be damaged by such use.

"8.5 Taking these provisions into consideration, Respondent-Applicant's use of Opposer's Mandarin Trademarks, must therefore be stopped as it clearly diminishes the "selling power" that the distinctive Mandarin Trademarks has engendered for Opposer's goods and services in the mind of the consuming public. For similar reasons, economic harm to Opposer's business and prestige will inevitably result from Respondent-Applicant's replication and unauthorized use of the Mandarin Trademarks on the latter's low quality products.

x x x

"9.1 Opposer's "FAN DEVICE" mark is protected under copyright. Although Opposer has not obtained a certificate of copyright registration for the "FAN DEVICE" from the National Library, its absence is of no consequence as works are protected by the sole fact of their creation. Nevertheless, to remove any doubt as to the nature of the "FAN DEVICE" as an artistic expression that is copyrightable, Opposer respectfully submits a Certificate of Copyright Registration issued by the People's Republic of China for the "FAN DEVICE" which is attached hereto and made an integral part hereof as Exhibit "LL." This certificate of registration, while issued by a foreign authority, satisfactorily establishes that the "FAN DEVICE" possesses the required modicum of creativity in order to be entitled to copyright protection in the Philippines.

"9.2 Since Opposer's "FAN DEVICE" is protected under copyright, Respondent-Applicant is precluded from appropriating this work as part of its trademark following the ruling in United Feature Syndicate, Inc. vs. Munsingwear Creation Manufacturing Company, where the Supreme Court cancelled a trademark certificate of registration on the basis that it was covered by a copyright work owned by another. Similarly, in Children's Television Workshop v. Touch of Class, Inc., it was ruled by the Supreme Court that a copyright granted to the producer or creator to "make any use or disposition of the work consistent with the laws of the land" precludes the registration of the mark by another.

The Opposer's evidence consists of representative samples of trademark registrations issued abroad (such as in Japan, British West Indies (Turk and Caicos Islands, Benelux, Indonesia, India, Vietnam, European Community, Australia, United States of America, UAE); copies of selected Philippine trademark registrations; original FAN DEVICE labels; samples of sachets of sugar (white and brown) and coffee bearing the "FAN DEVICE" mark; original hotel directory of Opposer's hotels; samples of magazines and articles contained in a list; print-out of Sun Star newspaper which featured Opposer dated 12 May 2006; print-out of Opposer's website with the domain name www.mandarinoriental.com; printed pages of various websites where

MANDARIN Trademarks can be viewed; Affidavit of Kieren John Barry dated 04 December 2008; Opposer's Annual Report for 2007; and a copy of the Certificate of Registration issued by the People's Republic of China with regard to the art work - Fan Device.[4]

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant, Uni-Agro Native Products, Inc., on 16 March 2009. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark MANDARIN LABEL MARK?

It is emphasized that 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.[5]

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

> Sec. 123. Registrability. - 123.1. A mark cannot be registered if it:
>
> x x x
>
> (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;"

Records show that Opposer's filing of their trademark application for MANDARIN ORIENTAL on 22 October 1993 preceded the Respondent-Applicant's trademark application by more than 10 years (22 August 2007). Also, the Respondent-Applicant's application covers goods that are similar and/or closely related to the Opposer's, particularly, food and ingredients of food. Moreover, the Opposer has been using its trademark abroad since 1963 and in the Philippines since 1976 when Mandarin Oriental Manila made its grand opening in Makati City.

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[4] Marked as Exhibits "A" to "LL", inclusive.

[5] *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepa v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

But, are the competing marks, as shown on the next page, resemble each other such that confusion, or even deception is likely to occur?

Opposer's trademark

Respondent-Applicant's mark

The Respondent-Applicant's mark MANDARIN LABEL MARK is confusingly similar, if not nearly identical to Opposer's trademark The MANDARIN ORIENTAL & FAN DEVICE. Even with the presence of the bird or fowl in front of it, to the Bureau's mind, top of the mind recall would be the word component MANDARIN and the FAN DEVICE. Respondent-Applicant's mark MANDARIN LABEL MARK covers "*sack of rice*" under Class 30, goods (food and ingredients of food) which the Opposer deals in under the MANDARIN Trademark. It is likely, therefore, that a consumer who wishes to buy sack of rice and is confronted with the mark MANDARIN LABEL MARK, will think or assume that the mark or brand is just a variation of the MANDARIN ORIENTAL & FAN DEVICE or is affiliated with the Opposer's.

The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

> Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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 belief that there is some connection between the plaintiff and defendant which, in fact does not exist.[6]

Moreover, the Opposer proved that it is the originator and true owner of the MANDARIN Trademarks. The FAN DEVICE was conceptualized to connote "classically simple, visually elegant and indisputably part of the Orient, the Fan ties together the members of the Group into a single identity and a single image."[7] In contrast, the Respondent-Applicant despite the opportunity given, did not file an

[6] *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.
[7] Paragraph 5.6 of Opposer's Notice of Opposition.

Answer to defend his trademark application and to explain how he arrived at using the mark MANDARIN LABEL MARK which is confusingly similar as the Opposer's. It is incredible for the Respondent-Applicant to have come up with exactly the same mark for use on similar goods by pure coincidence.

Succinctly, the field from which a person may select a trademark is practically unlimited. 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 Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.[8]

The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2007-009120 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, 26 September 2014.

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

[8] *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.