



OFFICE OF THE DIRECTOR GENERAL

UNITED LABORATORIES, INC.,
Opposer-Appellant,

Appeal No. 14-2012-0022

IPC No. 14-2008-00348
Opposition to:
Application No. 4-2008-002870
Date Filed: 11 March 2008

- versus -

ALDRTZ CORPORATION,
Respondent-Appellee.

Trademark: "ENERGO ALWAYS ON
THE GO! OSTRICH LOGO"

X-----X

NOTICE

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NATHANIEL S. AREVALO
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Intellectual Property Office, Taguig City

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GREETINGS:

Please be informed that on 09 September 2014, the Office of the Director General rendered a Decision in the above-titled case (copy attached).

Taguig City, 10 September 2014.

Very truly yours,

Robert Nereo B. Samson
ROBERT NEREO B. SAMSON
Attorney V

DATE: *09/10/14*
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Office of the Director General



OFFICE OF THE DIRECTOR GENERAL

UNITED LABORATORIES, INC.,
Opposer-Appellant,

Appeal No. 14-2012-0022

-versus-

Inter Partes Case No. 14-2008-00348
Opposition to:
Application No. 4-2008-002870
Date Filed: 11 March 2008

ALDRITZ CORPORATION,
Respondent-Appellee.

Trademark: ENERGO ALWAYS
ON THE GO! OSTRICH LOGO

x-----x

DECISION

UNITED LABORATORIES, INC. ("Appellant") appeals the decision of the Director of the Bureau of Legal Affairs ("Director") denying the Appellant's opposition to the registration of the mark "ENERGO ALWAYS ON THE GO! OSTRICH LOGO".

Records show that ALDRITZ CORPORATION ("Appellee") filed on 11 March 2008 Trademark Application No. 4-2008-002870 seeking the registration of ENERGO ALWAYS ON THE GO! OSTRICH LOGO ("ENERGO") for use on food supplement – capsule, syrup, energy drink and powder. On 12 September 2008, the trademark application was published in the Intellectual Property Office Electronics Gazette for Trademarks.

On 11 December 2008, UNAM Brands (BVI), Ltd.¹ filed an opposition to the registration of the Appellee's trademark application claiming that it will be damaged and prejudiced by the registration of ENERGO. Subsequently, UNAM Brands (BVI), Ltd. was substituted by the Appellant.² The grounds for the opposition are the following:

1. ENERGO resembles the trademark "ENERVON-C" owned by the Appellant;
2. ENERGO will likely cause confusion, mistake, and deception on the part of the purchasing public, most especially considering that ENERGO is applied for the same class and good as that of ENERVON-C;

¹ A corporation duly organized and existing under the laws of Hongkong.

² Order No. 2010-967 dated 06 April 2010.

Republic of the Philippines
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unilab vs. aldriz (energol)
page 1 of 6



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DATE: *APR 2010*

BERNARD B. SAMSON
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Office of the Director General

3. The registration of ENERGO will violate Sec. 123 of Republic Act 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"), which provides that any mark which is similar to a registered mark shall be denied registration in respect of similar or related goods or if the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely result; and
4. The Appellee's use and registration of ENERGO will diminish the distinctiveness and dilute the goodwill of the Appellant's ENERVON-C.

The Appellant maintained that it has a valid and subsisting registration for ENERVON-C which it has extensively used in commerce in the Philippines. It claimed that no less than the Intercontinental Marketing Services (IMS), the world's leading provider of business intelligence and strategic consulting services for the pharmaceutical and healthcare industries, acknowledged and listed ENERVON-C as the leading brand in the Philippines in the category of "Vitamin B Complex" in terms of market share and sales performance. The Appellant averred that it registered its products with the Bureau of Food and Drugs and that it has acquired exclusive ownership of ENERVON-C.

According to the Appellant, ENERGO is confusingly similar to ENERVON-C and to allow the Appellee to continue to market the ENERGO products undermines the Appellant's rights to ENERVON-C. The Appellant asserted that ENERVON-C has become well-known and has established valuable goodwill to the consumers and the general public that the registration of ENERGO will enable the Appellee to obtain benefit from the Appellant's reputation, goodwill, and advertising and will tend to deceive and/or confuse the public into believing that the Appellee is in any way connected with the Appellant.

The Appellant submitted the following evidence to support the opposition:

1. Print-out of trademarks published on 12 September 2008;³
2. Certificate of Registration for ENERVON-C;⁴
3. "Assignment";⁵
4. Affidavits of use;⁶
5. Sample product label for ENERVON-C;⁷
6. Certification issued by Intercontinental Marketing Services;⁸ and

³ Annex "A".

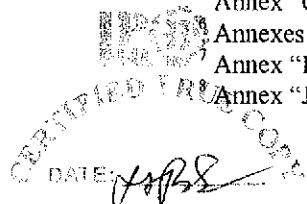
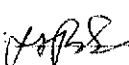
⁴ Annex "B".

⁵ Annex "C".

Annexes "D" to "H".

Annex "I".

Annex "J".


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Office of the Director General

7. Certificate of Product Registration for ENERVON-C.⁹

On 02 June 2009, the Appellee filed a "VERIFIED ANSWER" denying the material allegations of the Appellant and maintained that ENERGO is not confusingly similar with ENERVON-C. The Appellee claimed that it is the owner of ENERGO and its active advertisement and promotion of this mark has created substantial goodwill in its favor, which entitles it to secure its registration and ensure its protection. It has a prior registration for a mark similar to ENERGO and the instant trademark application is a derivative of this registered mark. The Appellee submitted the following evidence to support its position:

1. Cert. of Reg. No 4-2002-004205;¹⁰
2. Copies of trademark applications;¹¹
3. Product label for ENERGO;¹²
4. Affidavit of Mr. Gilbert Geolingo;¹³
5. List of Places of Distribution of the ENERGO;¹⁴
6. Campaign jingle for ENERGO;¹⁵
7. Endorsements and articles on ENERGO;¹⁶
8. Trademark details for ENERVON-C;¹⁷
9. Trademark details for KUKU BIMA ENER-G, ENER-Z AND ENER-C;¹⁸
and
10. Print out from www.aldrtz.com website.

After the appropriate proceedings, the Director denied the opposition and held that there is a fine distinction between ENERVON-C and ENERGO as to sound and appearance such that confusion or deception is unlikely to occur. The Director ruled that ENERGO satisfied the function of a trademark.

On 28 May 2012, the Appellant filed an "APPEAL MEMORANDUM [Re: Decision No. 2012-64 dated 13 April 2012]" contending that ENERGO is confusingly similar with ENERVON-C and that the registration of ENERGO will be contrary to Sec. 123.1 (d) of the IP Code. The Appellant maintains that ENERGO has the dominant features of ENERVON-C and that these marks are practically identical marks in sound and appearance that they leave the same commercial impression upon the public. The Appellant claims that being the owner of ENERVON-C, it has the exclusive right to use and/or appropriate this mark and prevent all third parties not having its consent from using in the course of trade identical or similar marks, where such would result in a likelihood of confusion. The Appellant asserts that to allow the

⁹ Annex "K".

¹⁰ Exhibit "1".

¹¹ Exhibits "2" to "4".

¹² Exhibit "5".

¹³ Exhibit "6".

¹⁴ Exhibit "6-a".

¹⁵ Exhibit "6-b".

¹⁶ Exhibits "6-c" to "6-h".

¹⁷ Exhibit "7".

¹⁸ Exhibits "8", "9" and "10".

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Appellee to use ENERGO would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that ENERGO is from or is being manufactured by the Appellant, or at the very least, is connected or associated with the ENERVON-C product of the Appellant, when such connection does not exist.

On 26 July 2012, the Appellee filed its "COMMENT (Re: Opposer-Appellant's Appeal Memorandum dated 28 May 2012)" maintaining that there is no confusing similarity between ENERGO and ENERVON-C and that the Bureau of Legal Affairs correctly denied the Appellant's opposition to the registration of ENERGO. The Appellee argues that the common use of the prefix "ENER" does not make ENERGO confusingly similar to ENERVON-C because "ENER" is merely suggestive of the word "energy" and when used on vitamins and food supplements, is descriptive of the nature of the products. According to the Appellee, there are other registered marks that use the syllable "ENER" as a component feature which indicates that it is descriptive, generic, and incapable of exclusive appropriation. The Appellee claims that it has registered a "slightly varied lay-out" of the mark ENERGO as early as 27 May 2002.

The main issue in this case is whether the Director was correct in denying the opposition to the registration of ENERGO. In this regard, the relevant question to be answered is whether ENERGO is confusingly similar with ENERVON-C.

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.¹⁹ 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,²⁰ 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.²¹

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

ENERVON-C

Appellant's mark

ENERGO



Appellee's mark

¹⁹ Emerald Garment Manufacturing Corporation v. Court of Appeals, 251 SCRA 600 (1995).

²⁰ Esso Standard Eastern, Inc. v. Court of Appeals, 116 SCRA 336 (1982).

²¹ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 2001.

At a glance, one can see the differences between these marks. The Appellant's mark is a combination of the word "ENERVON", the dash ("-") sign, and the letter "C" while the Appellee's mark is a combination of the word "ENERGO", the phrase "Always on the go!", and a representation of an ostrich. Clearly, one cannot mistake the Appellee's mark as similar to the Appellant's mark.

In determining likelihood of confusion, jurisprudence has developed two tests, the "Dominancy Test" and the "Holistic Test". The Dominancy Test focuses on the similarity of the prevalent features of the competing trademarks that might cause confusion. In contrast, the Holistic Test requires the court to consider the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity.²²

In this instance, whether the Office applies the Dominancy Test or the Holistic Test, the result is the same which is ENERGO is not confusingly similar with ENERVON-C. The only similarity in these two marks is the presence of the prefix "ENER" which as correctly pointed out by the Director is obviously derived from the word "energy" and is not really unique if used as a trademark or as part of a trademark for food or pharmaceutical products.²³

Moreover, the goods covered by ENERGO do not include multivitamins where the Appellee is using ENERVON-C. Thus, the purchasing public cannot be misled not only because of the differences in the features of the marks but also because of the dissimilarity in the goods covered by these marks. In addition, the Appellant's contention that the Appellee's use of ENERGO would result in confusion as to the source of origin of the goods is not tenable.

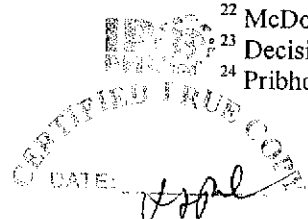
The essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, 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.²⁴

In this case, one who sees ENERGO will associate it with the energy drinks of the Appellee and not with the multivitamin products of the Appellant. ENERGO is a visible sign capable of distinguishing the goods of the Appellee. The dissimilarities in the Appellant's and Appellee's marks are significant enough to warn the purchasing public of the different source or ownership of the products. Significantly, the Appellee has already secured a trademark registration for a mark similar to

²² McDonalds Corporation v. L. C. Big Mak Burger, Inc., G.R. No. 143993, 18 August 2004.

²³ Decision No. 2012-64 dated 13 April 2012.

²⁴ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999.


DATE: *April*
ROBERT HEREO R. SAMSON
ATTORNEY V.
Office of the Director General

ENERGO that was issued on 11 December 2006.²⁵ Accordingly, the Appellee is only seeking a registration of a variation of its registered mark for ENERGO.

As correctly discussed by the Appellee:

31. As stated above, Respondent-Appellee's ENERGO energy drink product has been commercially sold and marketed in the Philippines for more than ten (10) years. Through Respondent-Appellee's extensive promotion and advertising, consumer awareness for the ENERGO energy drink product has been steadily increasing throughout the years, so much so that Respondent-Appellee's ENERGO mark has become an easily recognizable and well-known brand.

32. On the other hand, Opposer-Appellant's ENERVON-C mark although also well-known among the consuming public, is only associated with Opposer's multivitamin products. To date, there is no energy drink product bearing the "ENERVON-C" mark.

33. Simply stated, Respondent-Appellee's ENERGO product and Opposer-Appellant's ENERVON-C product have been successfully co-existing in the market for several years already, and the consuming public is well-aware that these two products are produced by unrelated companies. Respondent-Appellee's use and registration of the ENERGO-ALWAYS ON THE GO! OSTRICH LOGO, therefore, would not likely result in a confusion as to origin or business.


34. Even the common use of the syllables "ENER" would not result in confusion as to the source or origin of the latter's goods because "ENER" in itself does not point to the origin or ownership of the product...

35. More importantly, Respondent-Appellee's "ENERGO" brand has already gained its own reputation and goodwill as an energy drink product. Certainly, it is not riding on the goodwill of any other trademark, particularly, that of Opposer-Appellant's "ENERVON-C" mark.²⁶

WHEREFORE, premises considered, the instant 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.

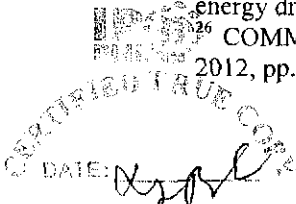
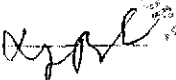
SO ORDERED.

09 SEP 2014 Taguig City


RICARDO R. BLANCAFLOR
Director General

²⁵ Certificate of Reg. No. 4-2002-004205 for ENERGO for use on food supplement – capsule, syrup, energy drink and powder.

²⁶ COMMENT (Re: Opposer-Appellant's Appeal Memorandum dated 28 May 2012) dated 25 July 2012, pp. 16-17.


DATE: 
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Director General