



OFFICE OF THE DIRECTOR GENERAL

JOLLIBEE FOODS CORPORATION,
Opposer-Appellant,

-versus-

PRIFOOD CORPORATION,
Respondent-Appellee.

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Appeal No. 14-2013-0040

IPC No. 14-2012-00175

Opposition to:

Application No. 4-2011-013041

Date Filed: 28 October 2011

Trademark: JOLLY TWINS

DECISION

JOLLIBEE FOODS CORPORATION (“Appellant”) appeals the decision¹ of the Director of Bureau of Legal Affairs (“Director”) dismissing the Appellant’s opposition to the registration of the mark “JOLLY TWINS”.

Records show that the Appellee filed on 28 October 2011 Trademark Application No. 4-2011-013041 for JOLLY TWINS for biscuits, caramel, wafer, extrusion, wheat, oats, rice, co-extrusion, flour, sugar, milk, wheat, oats, rice, corn, and snacks. The trademark application was published in the Intellectual Property Office Electronics Gazette for Trademarks on 12 March 2012. Consequently, the Appellant filed a “NOTICE OF OPPOSITION” dated 06 June 2012 alleging that it will be damaged by the registration of JOLLY TWINS.

The Appellant asserted that the registration of JOLLY TWINS is contrary to the provisions of the Intellectual Property Code of the Philippines (“IP Code”). The Appellant claimed that “JOLLIBEE” is an internationally well-known mark which enjoys substantial goodwill and recognition in the Philippines and worldwide. The Appellant maintained that JOLLY TWINS is confusingly similar to its name and registered marks. The Appellant averred that “JOLLY” in the Appellee’s mark is identical in appearance, spelling, pronunciation and meaning to the Appellant’s registered marks “JOLLY SHAKES”, “JOLLY KRUNCHY TWIRL”, “JOLLY CRISPY FRIES” “JOLLY CHEEZY FRIES”, “JOLLY ZERTS”, and “JOLLY HOTDOG”. According to the Appellant, its trademarks are arbitrary trademarks used on its goods and services and that the terms “JOLLY” and “JOLLI” as attached to food-related products and services are unique and very much associated with it.

On 15 June 2012, the Bureau of Legal Affairs issued a “NOTICE TO ANSWER” directing the Appellee to file its verified answer to the opposition. The Appellee, however, did not file its answer and as a result the Appellee was declared in default and the case was deemed submitted for decision.²

¹ Decision No. 2013-142 dated 24 July 2013.

² Order No. 2013-525 dated 04 April 2013.

In dismissing the opposition, the Director held that he does not agree with the Appellant's contention that JOLLY TWINS is confusingly similar to the "Jollibee" trademark. The Director stated that while both parties use the word "JOLLY" in their marks, the Appellee succeeded in lending distinctiveness in its mark by placing the word "TWINS" thereafter. The Director ruled that the Appellant's goods and services can only be purchased and availed of in its restaurant and fast food chains while that of the Appellee in ordinary stores that it is highly improbable that the consumers will be deceived, or at least confused, that "JOLLY TWINS" products are the same or are sourced from the Appellant.

On 27 August 2013, the Appellant filed an "APPEAL MEMORANDUM" reiterating its argument that JOLLY TWINS is confusingly similar to its registered trademarks. The Appellant maintains that the mark "JOLLIBEE" and other related JOLLIBEE and "JOLLY" trademarks have been registered with this Office and that it owns 77 registrations and has nine (9) pending applications for the JOLLIBEE trademarks. The Appellant claims that the Bureau of Legal Affairs contradicted itself when it issued the appealed decision since the BLA had ruled earlier in another case that the JOLLIBEE mark has become so well known in the Philippines that the mere use of the mark that includes "JOLLI" or "JOLLY" would immediately cause consumers to believe that the goods or services offered under the mark are sponsored by the Appellant. According to the Appellant, the additions of the word "TWINS" to the Appellee's mark is irrelevant since the Appellant combines "JOLLY" with other word elements and the Appellee's use of JOLLY TWINS increases the likelihood of confusion because this mark suggests a new product offering by the Appellant. Moreover, the Appellant argues that likelihood of confusion is not negated by the fact that its goods and services can only be purchased and availed of in its restaurants and that the Director erred when he refused to declare JOLLIBEE as an internationally well-known mark. Lastly, the Appellant contends that the Appellee is guilty of laches and cannot be allowed to participate in the appeal proceedings and defend its trademark application.

On 20 September 2013, this Office issued an Order giving the Appellee thirty (30) days from receipt of the Order to submit comment on the appeal. The Appellee, however, did not file its comment and the case was deemed submitted for decision.

The main issue in this appeal is whether the Director was correct in dismissing the Appellant's opposition to the registration of the mark JOLLY TWINS in favor of the Appellee.

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.³

³ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

Thus, Sec. 123.1(d) of the IP Code, states that a mark cannot be registered if it:

(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 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.⁴ 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,⁵ 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.⁶

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

JOLLIBEE **JOLLY KRUNCHY TWIRL** **Jolly Hotdog**

Jolly 'Zerts **JOLLY CHEEZY FRIES**

Appellant's marks

Jolly Twins

Appellee's mark

In this case, the Appellant has registered JOLLIBEE trademarks containing the word "JOLLY" in combination with another word or other words. The Appellant also adduced evidence that it has been in existence for nearly four decades and

⁴ Emerald Garment Manufacturing Corporation v. Court of Appeals, 251 SCRA 600 (1995).

⁵ Esso Standard Eastern, Inc. v. Court of Appeals, 116 SCRA 336 (1982).

⁶ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 2001.

operates the very popular chain of quick-service restaurants called JOLLIBEE that is found all over the Philippines and abroad. As discussed by the Appellant:

15. As early as 1978, Appellant already used the mark JOLLIBEE to distinguish its food products and services from those of others. Appellant continues to use the JOLLIBEE trademarks in every Jollibee outlet and in almost all product packaging, advertising and in promotional materials. The mark JOLLIBEE has become so well known in the Philippines that the mere use of a mark that includes "JOLLI" or "JOLLY" would immediately cause consumers to believe that the goods or services offered under that mark, particularly food establishments and food products, are sponsored by Appellant.⁷

In this regard, the Appellee's use of JOLLY TWINS gives the impression that this mark is one of the Appellant's registered marks or is a variation of the Appellant's JOLLIBEE trademarks. The registration of JOLLY TWINS in favor of the Appellee would, therefore, create a likelihood of confusion as to the source or origin of the products covered by this mark. The way these marks are presented and used by the Appellant and the Appellee gives the impression that they are owned by the same person. In other words, because of the similarity of these marks, it is not farfetched that one may consider the Appellee's mark as just a variation of the Appellant's mark. The Appellant and the Appellee are both engaged on food products and services and it is not unlikely that the Appellee knew of the Appellant's products and services which have been in the market earlier than the Appellee's products. In this regard, the statement by the Supreme Court in one case is instructive:

Of course, 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.⁸

Moreover, the exclusive rights given to the Appellant over its JOLLIBEE trademarks including the marks combining JOLLY with other words would be negated by the registration of JOLLY TWINS in favor of the Appellee. A certificate of registration of a mark, once issued, constitutes *prima facie* evidence of the validity of the registration, of the registrant's ownership of the mark, and of the registrant's exclusive rights to use the same in connection with the goods or services and those that are related thereto specified in the certificate.⁹ Thus, the registration of JOLLY TWINS in favor of the Appellee would prevent the Appellant from using a similar mark in its products and services.

Significantly, the Appellee's lack of interest in participating in this opposition case betrays the weakness of the Appellee's position to register a confusingly similar mark. The Appellee has "millions of terms and combinations of letters and designs available" to use for its products. The Appellee's attempt to register JOLLY TWINS without giving any explanation as to how it arrived in using this mark only shows its intent to take advantage of the reputation generated by the Appellant's registered

⁷ APPEAL MEMORANDUM dated 27 August 2013 page 13.

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

⁹ *Berris Agricultural Co., Inc. vs. Norvy Abyadang*, G. R. No. 183404, 13 October 2010.

marks. That the products and services of the parties are not identical will not prevent the likelihood of confusion that JOLLY TWINS may be mistaken as another mark of the Appellant. Consequently, there would be a likelihood of confusion as to the source or origin of the products covered by the mark JOLLY TWINS which may damage the interests of the Appellant, especially because the Appellant has no control on the quality of the Appellee's products


The Appellant's registered trademarks are entitled to protection. As discussed in the case of *Societe Des Produits Nestle, S. A. v. Court of Appeals*,¹⁰ the protection of trademarks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trademark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same --- to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trademark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.

In addition, the Appellant correctly pointed out that the Bureau of Legal Affairs in another case involving a mark "JOLLY KID" recognized the well-known status of the JOLLIBEE trademarks and sustained the opposition to the registration of this mark.¹¹

WHEREFORE, premises considered, the appeal is hereby GRANTED. 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.

22 SEP 2014 Taguig City


RICARDO R. BLANCAFLOR
Director General

¹⁰ G. R. No. 112012, 04 April 2001.

¹¹ IPC No. 14-2006-00113, 25 February 2007, as cited in the APPEAL MEMORANDUM dated 27 August 2013, pages 33-34.