



SOCIETE DES PRODUITS NESTLE S.A.,
Opposer,

-versus-

WM. WRIGLEY JR. COMPANY,
Respondent-Applicant.

} **IPC No. 14-2010-00080**

} Opposition to:

} Application No. 4-2009-005580

} Date filed: 04 June 2009

} TM: "COOL CRUNCH"

x-----x

NOTICE OF DECISION

BENGZON NEGRE UNTALAN

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GREETINGS:

Please be informed that Decision No. 2015 - 67 dated April 28, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 28, 2015.

For the Director:


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



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Opposer, }

IPC No. 14-2010-00080

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Opposition to:
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Trademark: "COOL CRUNCH"

WM. WRIGLEY JR. COMPANY, }
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Decision No. 2015- 67

x-----x

DECISION

SOCIETE DES PRODUITS NESTLE S.A.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2009-005580. The application, filed by WM. WRIGLEY JR. COMPANY²("Respondent-Applicant"), covers the mark "COOL CRUNCH" for use as "*confectionery, namely, chewing gum, bubble gum, candy and mints*" under Class 30 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"VERIFIED NOTICE OF OPPOSITION"

"The grounds for the opposition to the registration of the "COOL CRUNCH" trademark are as follows:

"1) Opposer is the first to adopt, use and register worldwide including the Philippines, the 'CRUNCH', 'BUNCHA CRUNCH', 'KOKO CRUNCH', 'NESTLE CRUNCH' trademarks and their derivatives (hereinafter referred to collectively as 'CRUNCH' trademarks) for among others, chocolate, cocoa and preparations having a base of cocoa, chocolate products, confectionary, bakery products, pastry biscuits, cakes, cookies, wafers, cereals and cereal preparations falling under international class 30 and therefore, enjoys the right to exclude others from registering or using identical or confusingly similar marks such as Respondent-Applicant's 'COOL CRUNCH' trademark for goods falling under international class 30 pursuant to Section 147 of Republic Act No. 8293 otherwise known as the Intellectual Property (IP) Code.

"2) There is a likelihood of confusion between Opposer's 'CRUNCH' trademarks and Respondent-Applicant's 'COOL CRUNCH' trademark because the latter trademark so resembles Opposer's 'CRUNCH' trademark in terms of sound, sight and meaning as to likely, when applied to or used in connection with the goods of Respondent-Applicant, cause confusion, mistake and deception on the part of the

¹A foreign corporation organized and existing under the laws of Switzerland, with business address at Vevey, Switzerland.

²With address at 410 North Michigan Avenue, Chicago, Illinois 60611, U.S.A.

³The 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.

purchasing public as being a trademark owned by the Opposer, hence, the Respondent-Applicant's 'COOL CRUNCH' trademark cannot be registered in the Philippines pursuant to the express provision of Sections 123(d), 123(e) and 147.2 of the IP Code. No doubt, the use of Respondent-Applicant's 'COOL CRUNCH' trademark for its products will indicate a connection between its products and those of the Opposer's.

"3) The Opposer's 'CRUNCH' trademarks for goods falling under International Class 30 are well-known internationally and in the Philippines, taking into account the knowledge of the relevant sector of the public, rather than the public at large, as being a trademark owned by the Opposer.

"4) Respondent-Applicant, in adopting 'COOL CRUNCH' for its goods, is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association with the Opposer, or as to origin, sponsorship, or approval of its goods and services by the Opposer, for which it is liable for false designation of origin, false description or representation under Section 169 of the IP Code.

"5) Respondent-Applicant's appropriation and use of the trademark 'COOL CRUNCH' infringes upon the Opposer's exclusive right to use as registered owner of its 'CRUNCH' trademarks, which is protected under the IP Code particularly Section 147 thereof.

"Opposer relies on the following facts to support its opposition, reserving the right to present other evidence to prove these facts and others as may appear necessary or expedient in the course of the proceedings:

"1) Opposer is the owner of the 'CRUNCH' trademarks.

"Opposer is the exclusive owner of the 'CRUNCH' trademarks and has adopted and used the 'CRUNCH' trademarks all over the world. The 'CRUNCH' trademarks are registered in the Philippines under Registration Nos. 4-1997-119855, 4-1996-115792 and 035685 issued on January 18, 2004, July 23, 2001 and June 27, 1986, respectively, for goods falling under international class 30, which are still valid and in force in the Philippines.

"Copies of the abovementioned Certificates of Registration are hereto attached as
x x x

"The 'CRUNCH' trademarks are also registered or applied for registration in over seventy (70) countries worldwide long before the appropriation and filing of the application by Respondent-Applicant for the registration of the trademark 'COOL CRUNCH' in the Philippines.

"2) There is a likelihood of confusing similarity between Opposer's 'CRUNCH' trademarks and Respondent-Applicant's 'COOL CRUNCH' trademark.

"Respondent-Applicant's 'COOL CRUNCH' trademark is confusingly similar to Opposer's 'CRUNCH' trademarks in sound, spelling and connotation as to likely cause confusion. Respondent-Applicant's 'COOL CRUNCH' trademark entirely contains Opposer's 'CRUNCH' trademark. The addition of another word 'COOL' to Opposer's 'CRUNCH' trademark does not avoid the probability of confusion among consumers since the descriptive word of the 'COOL' portion of Respondent-Applicant's trademark 'COOL CRUNCH' merely connotes a variant of Opposer's 'CRUNCH' trademarks.

"Also, the likelihood of confusion and deception are even greater since the goods of Opposer and Respondent-Applicant are the same and are made available to the same consuming public and in the same channels of distribution. Respondent-Applicant's 'COOL CRUNCH' trademark covers 'confectionery, namely, chewing gum, bubble gum, candy and mints' falling under international class 30 while Opposer's 'CRUNCH' trademarks are also registered for goods falling under international class 30 which include, among others chocolate, cocoa and preparations having a base of cocoa, chocolate products, confectionery, bakery products, pastry biscuits, cakes, cookies, wafers, cereals and cereal preparations.

"3) The Opposer's 'CRUNCH' trademarks are internationally well-known.

"The 'CRUNCH' trademarks which Opposer herein originated and adopted are internationally well-known.

"The Opposer's 'CRUNCH' trademarks have been used, promoted and advertised for a considerable duration of time and over wide geographical areas having been in use in several countries. Opposer's 'CRUNCH' trademarks were first used in the United States of America in 1938. In the Philippines, chocolate bars bearing the 'CRUNCH' trademark was first sold as early as the 1950's although Registration Certificate No. 035685 indicates that the 'CRUNCH' trademark was first used only in December 31, 1972. Since its first use in the Philippines, Opposer has invested significant and substantial amount of resources in the promotion of its trademark 'CRUNCH' worldwide and in the Philippines.

"As a matter of fact, Opposer's 'CRUNCH' trademarks have been declared as well-known marks by no less than the Director-General of the IPO in the case entitled 'Societe de Produits Nestle S.A. vs. Cadbury Adams USA LLC.' Specifically, the Director-General of the IPO, a competent authority under the law, pronounced:

x x x

"By this declaration, it is clear that Opposer's 'CRUNCH' trademarks are recognized as internationally well-known trademarks in the Philippines. Hence any mark which is identical or confusingly similar to Opposer's 'CRUNCH' trademarks such as the Respondent-Applicant's 'COOL CRUNCH' mark cannot be registered in this jurisdiction in accordance with Section 123(e) of the IP Code.

"4) The use of Respondent-Applicant's trademark 'COOL CRUNCH' would indicate a connection with the goods covered in Opposer's 'CRUNCH' trademarks hence, the interests of the Opposer are likely to be damaged.

"Respondent-Applicant's products are clearly identical to Opposer's products covered by its 'CRUNCH' trademarks. Undoubtedly, the use of Respondent-Applicant's trademark 'COOL CRUNCH' definitely misleads the public into believing that its goods originate from, or are licensed or sponsored by Opposer or that Respondent-Applicant is associated with or an affiliate of the Opposer.

"Respondent-Applicant has appropriated the trademark 'COOL CRUNCH' for the obvious purpose of capitalizing upon or riding on the valuable goodwill and popularity of the 'CRUNCH' trademarks which Opposer gained through tremendous

effort and expense over a long period of time. This clearly constitutes an invasion of Opposer's intellectual property rights.

"The use by Respondent-Applicant of 'COOL CRUNCH' will dilute the distinctiveness of Opposer's 'CRUNCH' trademarks.

"The use, sale and distribution by the Respondent-Applicant of goods bearing the 'COOL CRUNCH' trademark are inflicting considerable damage to the interests of Opposer. To allow Respondent-Applicant to register 'COOL CRUNCH' will constitute a mockery of our laws protecting intellectual property rights; it will legitimize its unfair and unlawful business practice.

"5) Enclosed are actual labels of Opposer's 'CRUNCH' trademarks and other documentary evidence x x x

"6) Opposer reserves the right to present such other documents as may be necessary to prove the foregoing allegations in the course of the proceedings.

The Opposer's evidence consists of copies of Registration Nos. 4-1997-119855, 4-1996-115792 and 035685 for the marks BUNCHA CRUNCH, CRUNCH and CRUNCH respectively, all under Class 30 ; the affidavit of Jean G. Villapando, the Consumer Marketing Manager of Nestle Philippines, Inc., licensee in the Philippines of herein Opposer; and actual labels of Opposer's 'CRUNCH' trademarks.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 07 May 2010. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark COOL CRUNCH?

The Opposer anchors its opposition on Sections 123.1, paragraphs (d) and (e), and 146 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123. Registrability. - 123.1. A mark cannot be registered if it:

x xx

- (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;"

⁴Marked as Exhibits "A" to "F", inclusive.

- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

Sec. 147. *Rights Conferred.* - x x x 147.2. The exclusive right of the owner of the well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: *Provided*, That use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use.

Records show that at the time the Respondent-Applicant filed its trademark application on 04 June 2009, the Opposer already owns trademark registration nos. 35685, 4-1996-115792 and 4-1997-119855 for use on chocolate; coffee and extracts of coffee, coffee substitutes and extracts of coffee substitutes, mixtures of coffee and chicory; tea and extracts of tea; chocolate and chocolate based preparations, cocoa and cocoa based preparations; confectionery, chocolate products; sugar; sweetmeats, sweets, caramels, chewing gums; flours, cereal based food preparations, bread, biscuits, cakes, pastries; edible ices and sorbets, products for the preparation of edible ices and sorbets, ice cakes; honeys and honey substitutes; desserts, puddings. It must be emphasized, however, that the protection to a trademark under the afore-quoted provisions hinges on a factual finding of the existence of confusing similarity between the trademark sought to be protected, and the other trademark.

But, does COOL CRUNCH resemble CRUNCH such that confusion or deception is likely to occur? The marks are shown below:

CRUNCH

Opposer's trademark

COOL CRUNCH

Respondent-Applicant's mark

In this regard, what draws the eyes and the ears with respect to the Respondent-Applicant's mark is the word "CRUNCH". CRUNCH comprises the mark covered by Philippine Trademark Reg. No. 4-1996-115792, and Reg. No. 35685. "CRUNCH" is also a prominent feature of the Opposer's mark BUNCHA CRUNCH covered by

Trademark Reg. No. 4-1997-119855. Trademark Application Serial No. 4-2009-005580 covers "*confectionery, namely, chewing gum, bubble gum, candy and mints*" under Class 30, a product or goods which the Opposer deals in under the mark or brand CRUNCH under Trademark Reg. No. 4-1996-115792 for use on "*coffee and extracts of coffee, coffee substitutes and extracts of coffee substitutes, mixtures of coffee and chicory; tea and extracts of tea; chocolate and chocolate based preparations, cocoa and cocoa based preparations; confectionery, chocolate products; sugar; sweetmeats, sweets, caramels, chewing gums; flours, cereal based food preparations, bread, biscuits, cakes, pastries; edible ices and sorbets, products for the preparation of edible ices and sorbets, ice cakes; honeys and honey substitutes; desserts, puddings*" (Class 30). Reg. Nos. 35685 and 4-1997-119855 also covers "chocolates". It is likely therefore, that a consumer who wishes to buy confectionery and is confronted with the mark COOL CRUNCH, will think or assume that the mark or brand is just a variation of or is affiliated with the Opposer's CRUNCH trademarks.

Furthermore, Opposer's CRUNCH trademarks have been declared by the Director General of the Intellectual Property Office of the Philippines in Appeal No. 14-08-07 (IPC No. 14-2006-00132 entitled Societe de Produits Nestle S.A. vs. Cadbury Adams USA LLC) as well-known.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2009-005580 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, 28 April 2015.


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