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NUTRI-ASIA INC.,
Opposer,

-versus-

FRESH FRUIT INGREDIENTS, INC.,
Respondent-Applicant.

IPC No. 14-2011-00394
Opposition to:
Appln. Serial No.4-2010-008236
Date filed: 28 July 2010
TM: "FIESTA TROPICALE
& COLORED DEVICE"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 273 dated December 01, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, December 01, 2015.

For the Director:

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

NUTRI-ASIA, INC.	} IPC NO. 14-2011-00394
Opposer,	}
	} Opposition to:
	} Appln. Ser. No. 4-2010-008236
-versus-	} Date Filed: 28 July 2010
	}
	}
FRESH FRUIT INGREDIENTS, INC.	} Trademark: "FIESTA TROPICALE
Respondent-Applicant.	} & COLORED DEVICE"
x-----x	} Decision No. 2015- 273

DECISION

NUTRI-ASIA, INC., (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2010-008236. The application, filed by FRESH FRUIT INGREDIENTS, INC. (Respondent-Applicant)², covers the mark "FIESTA TROPICALE & COLORED DEVICE", for use on "meat, fish, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, jellies, jams, eggs, milk, cream, butter, margarine, butter milk, butter oil, casein, cheese, whey, edible oils and fats, preserved pickles" under Class 29; "coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes, flour, and preparations made from cereals, bread, biscuits, cakes, pastry and confectionary, ices, honey, treached: yeast, baking powder, salt, mustard, pepper, vinegar, sauces, spices, ice, yogurts and flavored variants, ice cream" under Class 30 and "beer, ale and porter, mineral and aerated waters and fruit juices, soda drinks and coladas, syrups and other preparations for making beverages" under Class 32 of the International Classification of Goods³.

The Opposer anchors its opposition on the following grounds:

"9. NUTRI-ASIA will be damaged by the registration of the trademark 'FIESTA TROPICALE & COLORED DEVICE' and thus opposes the instant application on the following ground:

I. When opposer NUTRI-ASIA merged with SAFI, it acquired the latter's rights as owner, by prior registration, of the trademarks 'UFC LOGO & Golden Fiesta' and 'UFC HAPI FIESTA', the dominant feature of which is 'FIESTA'. Respondent-Applicant's mark infringes on NUTRI-ASIA's (SAFI's) registered marks.

¹ A corporation duly organized and existing under Philippine laws with address at 12th Floor, Centerpoint Condominium, Garnet Road corner Julia Vargas Avenue, Ortigas Center, Pasig City

² A corporation duly organized and existing under Philippine laws with address at City

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

II. The registration of Respondent-Applicant's 'FIESTA TROPICALE & COLORED DEVICE' trademark will cause confusion among relevant consuming public and will hamper the normal expansion of NUTRI-ASIA's business.

III. The registration of Respondent-Applicant's 'FIESTA TROPICALE & COLORED DEVICE' trademark will cause damage to goodwill built by SAFI upon its trademarks, which goodwill was assumed by NUTRI-ASIA under its Articles of Merger with SAFI.

The Opposer further alleges that:

"10. Opposer NUTRI-ASIA acquired, by merger, SAFI's rights as the owner by prior registration of the 'UFC LOGO & Golden Fiesta' and 'UFC HAPI FIESTA' marks. The dominant feature and carrying theme of these variants of cooking oil is 'FIESTA', as shown below: xxx

Notably, SAFI did not disclaim 'FIESTA' in its registrations. The reason for this is that SAFI's various cooking oil products carried the dominant feature 'FIESTA' under the UFC umbrella and will continue to do so under the management of NUTRI-ASIA.

"11. Section 123 of Republic Act No. 8293, otherwise known as the Intellectual Property Code ('IP Code'), provides that a mark cannot be registered if it nearly resembles a registered mark as to be likely to deceive or cause confusion, to wit:

Section 123. Registrability.-123.1. 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;

"12. The Supreme Court declared in *Del Monte Corporation and Philippine Packing Corporation v. Court of Appeals and Sunshine sauce Manufacturing Industries* that, in determining the likelihood of confusion, the 'touchstone' is the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade and giving the attention such purchasers usually give in buying that class of goods. The cost of goods bought usually determines the attitude of an ordinary purchaser. He would be expected to be more prudent when buying expensive

and valuable items, but not when buying ordinary and inexpensive household items, such as cooking oil. Xxx

“14. Applying the ‘dominancy test’, and considering the nature of the goods involved, Respondent-Applicant’s subject trademark infringes on NUTRI-ASIA’s (SAFI’s) registered trademarks. A dominant feature of Respondent-Applicant’s ‘FIESTA TROPICALE AND COLORED DEVICE’ trademark, ‘FIESTA’, is identical with the dominant feature of NUTRI-ASIA’s (SAFI’s) trademark. Xxx

“15. Second. Respondent-Applicant seeks to register its mark for use in the same classes of goods for which NUTRI-ASIA’s (SAFI’s) trademarks are also registered and used, specifically Classes 29 and 30.

“15.1. Respondent-Applicant’s trademark ‘FIESTA TROPICALE AND COLORED DEVICE’ is apparently to be used on food products used for cooking, which goods fall under Class 29, Class 30 and Class 32. In fact, the trademark ‘FIESTA TROPICALE AND COLORED DEVICE’ is supposedly to be used on ‘butter oil’ and ‘edible oils and fats’ which are identical to the goods on which NUTRI-ASIA’s (SAFI’s) trademarks ‘UFC LOGO & Golden Fiesta’ and ‘UFC HAPI FIESTA’ are used – cooking oils. Moreover, the other products on which Respondent-Applicant’s ‘FIESTA TROPICALE AND COLORED DEVICE’ is to be used are within the reasonable expansion of NUTRI-ASIA’s business. It has been held that trademarks which are used for similar goods, and which forestall the potential market expansion of the business of the owner of a registered trademark, cannot be registered. Xxx

“16. The registration of the ‘FIESTA TROPICALE AND COLORED DEVICE’ trademark will allow Respondent-Applicant to ride on the invaluable goodwill that now inheres in the trademarks acquired by NUTRI-ASIA through its merger with SAFI. NUTRI-ASIA’s (SAFI’s) ‘UFC LOGO & Golden Fiesta’ mark that has been in continuous and uninterrupted use over ten years. To stress, NUTRI-ASIA’s ‘UFC Golden Fiesta’ is the leading brand of cooking oil in the Philippine supermarkets since June 2005. On the other hand, NUTRI-ASIA’s UFC HAPI FIESTA enjoys considerable sale two years after its launch. NUTRI-ASIA has a property right in the trademarks which it acquired in its merger with SAFI, which right is legally entitled to protection under Section 168 of the IP Code, particularly from erosion and dilution, and from free-riders who attempt to capitalize on NUTRI-ASIA’s goodwill.

“17. Under Section 134 of the IP Code, ‘(a)ny person who believes that he would be damaged by the registration of a mark may x x x file with Office an opposition to the application.’ The Supreme Court also ruled in McDonald’s Corporation v. Macjoy Fastfood Corporation that the application for registration of a confusingly similar mark should be rejected not only to avoid confusion, but also to protect an established goodwill.

“18. The registration of Respondent-Applicant’s ‘FIESTA TROPICALE & COLORED DEVICE’ trademark will cause damage to the goodwill built up by SAFI over its trademarks, which goodwill was assumed by NUTRI-ASIA through its merger with SAFI, in the following important ways:

“18.1. First, there is danger that the reputation for quality of NUTRI-ASIA’s ‘UFC Golden Fiesta’ and ‘UFC HAPI FIESTA’ products will suffer if Respondent-Applicant’s products are allowed to be associated with NUTRI-ASIA’s products. NUTRI-ASIA has no control over the quality of Respondent-Applicant’s products, and consumers who are disappointed with them may falsely attribute low quality to NUTRI-ASIA’s ‘Fiesta’ line of products. This will of course tarnish the reputation of NUTRI-ASIA’s ‘UFC Golden Fiesta’ and ‘UFC HAPI FIESTA’ products and erode the goodwill over the ‘UFC LOGO & Golden Fiesta’ and ‘UFC HAPI FIESTA’ marks.

“18.2. Second. Respondent-Applicant’s use and registration of the ‘FIESTA TROPICALE & COLORED DEVICE’ mark will dilute the distinctiveness NUTRI-ASIA’s ‘UFC Golden Fiesta’ and ‘UFC HAPI FIESTA’ marks and hamper its expanding ‘Fiesta’ line of products. xxx

“19. All told, Respondent-Applicant’s trademark ‘FIESTA TROPICALE & COLORED DEVICE’ infringes on SAFI’s registered trademarks, which were acquired by NUTRI-ASIA under its Articles of Merger with SAFI, and thus cannot be registered under Sections 123.1 (d) and 155 of the IP Code. Respondent-Applicant’s application must further be denied due to the damage it will cause the goodwill over the marks ‘UFC Golden Fiesta’ and ‘UFC HAPI FIESTA’ trademarks, which goodwill now belongs to NUTRI-ASIA after it merged with SAFI.”

To support its opposition, the Opposer submitted as evidence the following:

1. Articles of Merger dated 27 May 2011;
2. Certified true copy of Articles of Incorporation of Nutri-Asia;

3. Certified true copy of Articles of Incorporation of SAFI dated 12 June 2003;
4. Judicial Affidavit of Cristy Magno dated 16 April 2012;
5. Print-out of print advertisements, promotional materials, samples of television and radio advertising for the mark "Golden Fiesta";
6. Judicial Affidavit of Lalaine Gonzales-Camina 14 October 2011;
7. Copies of trademark applications for "Golden Fiesta" and "UFC Hapi Fiesta"; and
8. Copy of trademark applications in Indonesia and Malaysia.⁴

The Respondent-Applicant filed its Answer on 1 June 2012, alleging among other things, the following:

"9. Opposer would have us believe that, by virtue of the fact that its 'UFC LOGO & Golden Fiesta' mark was filed on 31 July 2007, and its 'UFC LOGO & HAPI FIESTA' mark on 16 January 2009, Respondent-Applicant's later application for registration of its 'FIESTA TROPICALE & COLORED DEVICE' mark will infringe its previously registered marks.

"10. The fact, however, is that Respondent-applicant has an earlier, valid and existing registration for the word mark 'FIESTA TROPICALE (TM Registration No. 4-2006-003241, issued on 5 November 2007).

"11. Respondent-applicant applied for registration of the word mark 'FIESTA TROPICALE' on 22 March 2006, approximately sixteen (16) months before Opposer applied for registration of its 'UFC LOGO & Golden Fiesta' mark, and about thirty four (34) months before applied for registration for its 'UFC LOGO & HAPI FIESTA' mark. Respondent-applicant's 'FIESTA TROPICALE' mark was registered on 5 November 2007. Thus, when Respondent-applicant applied for registration for its 'FIESTA TROPICALE & COLORED DEVICE' on 28 July 2010, it already had a prior registration for 'FIESTA TROPICALE'.

"12. Respondent-applicant's 'FIESTA TROPICALE & COLORED DEVICE' is a mere derivative, development/improvement so to speak, of its original, duly registered trademark 'FIESTA TROPICALE'. The fact is that the combination of the words 'fiesta' and 'tropicale' already exclusively belongs to Respondent-applicant, and as a logical consequence, its 'FIESTA TROPICALE & DEVICE' (BLACK & WHITE)' mark was granted registration last 14 July 2011.

"13. Opposer cannot claim now that this later registration of Respondent-applicant's mark will infringe on its registered marks, and mislead the prospective purchasers into thinking that Opposer has expanded its 'Fiesta' line of goods to include Respondent-applicant's products. Clearly, Respondent-applicant's products, covered by the

⁴ Exhibits "A" to "N"

'FIESTA TROPICALE' trademark, has been in the market, and co-existing with Opposer's cooking oil variants, long before the application for 'FIESTA TROPICALE & COLORED DEVICE' was filed with the Intellectual Property Office of the Philippines.

"14. Opposer cannot claim, too, that Respondent-applicant is merely riding on the goodwill that has inhaled to its registered marks, as in fact, Respondent-applicant has established its own goodwill and reputation as far as its 'FIESTA TROPICALE' goods and products are concerned, not locally, but internationally as well. Xxx

"17. Respondent-applicant contends however, that Opposer cannot simply conclude that through the application of the Dominancy Test, Respondent-applicant's mark is and will be, confusingly similar to those of the Opposer's.

"18. The distinction between the subject mark, 'FIESTA TROPICALE & COLORED DEVICE' and the marks 'UFC LOGO & Golden Fiesta' and 'UFC HAPIFIESTA' is apparent upon the application of the Holistic Test.xxx

"21. While admittedly, the term 'FIESTA' is common to all three (3) marks, such fact does not, and should not, in any degree, give the impression that the marks are confusingly, if not deceptively, the same. As can be seen above, the physical discrepancies among the marks are so ostensible that the casual prospective purchaser of the products involved, cannot, and will not likely mistake one for the other.xxx

"25. The term 'FIESTA' pertains to a holiday, a festivity, or an occasion for celebration. Literally, it is a religious celebration (as in Spain and Latin America) featuring processions and dances of pagan heritage addressed to Christian saints. It is a tradition deeply –entrenched in Filipino culture, so much so that, it is to be considered a generic or common term, and its appropriation as a trademark, albeit in a fanciful manner, in that it bears no relation to the product it identifies, is valid. However, the degree of exclusiveness accorded to the user is closely restricted. Xxx

"27. It is worthy to note that the Intellectual Property Office of the Philippines Trademark Registry shows the term 'FIESTA' has been registered, and is being applied for registration as a mark or as a part of composite marks for a wide array of products, related or unrelated to Opposer's marks and Respondent-applicant's mark: xxx

"28. In fact, Respondent-applicant has an existing valid registration for the word mark 'FIESTA TROPICALE' (classes 29, 30 and 32) and another existing valid registration for the exact same mark being opposed

herein, albeit in black and white, namely FIESTA TROPICALE & DEVICE' (BLACK & WHITE)'.

"29. It is thus speculative and unfounded for Opposer to claim that the registration of Respondent-applicant's 'FIESTA TROPICALE & COLORED DEVICE' mark will cause confusion among the relevant consuming public and will hamper the normal expansion of its business when in fact 1) even the Intellectual Property Office of the Philippines has acknowledged the fact, when it allowed the registration of the above-mentioned marks, that there is confusing similarity between 'FIESTA TROPICALE' and 'GOLDEN FIESTA' and 'HAPi FIESTA'; and 2) the use of the word 'FIESTA' (which Opposer claims to be dominant feature of its marks) in the market is already apparently rampant and seemingly unbridled, and the Opposer cannot claim exclusive use of the same.xxx"

To support its defense, the Respondent-Applicant submitted as evidence the following:

1. Secretary's certificate dated 21 May 2012; and
2. Judicial Affidavit of Henry Raperoga⁵

The Hearing Officer issued on 20 January 2015 a notice setting the Preliminary Conference on 23 February 2015. At the Preliminary Conference, the Hearing Officer directed both parties to file their respective position papers. The Opposer and the Respondent-Applicant filed their position papers on 6 March 2015 and 16 March 2015 respectively.

Should the Respondent-Applicant be allowed to register the trademark FIESTA TROPICALE & COLORED DEVICE ?

Records show that at the time Respondent-Applicant applied for registration of the mark "FIESTA TROPICALE & COLORED DEVICE" the Opposer already registered the mark "UFC Logo & GOLDEN FIESTA" under of Registration No. 4-2007-008197 dated 9 June 2008. The goods covered by the Opposer's trademark registration are also under Class 29, namely: "cooking oils", while the Respondent-Applicant's trademark application under the same Class 29 indicates use as "meat, fish, poultry and game meat extracts, preserved, dried and cooked fruits and vegetables, jellies, jams, eggs, milk, cream, butter, margarine, buttermilk, butter oil, casein, cheese, whey, edible oils and fats, preserved pickles".

The competing marks, depicted below, are identical in respect of the word "FIESTA":

⁵ Exhibits "1" and "2"



Opposer's mark



Respondent-Applicant's mark

The question is: Are the competing marks identical or closely resembling each other such that confusion or mistake is likely to occur?

Opposer and Respondent-Applicant's marks are similar in so far as the word "FIESTA" in Respondent-Applicant's mark resembles in looks and in sounds, the word "FIESTA" in Opposer's mark. However, this Bureau finds that the presence of the word "FIESTA" in both marks are insufficient to establish a finding of confusing similarity between the competing marks to sustain the opposition. The word "FIESTA" which means "feast or celebration" is a word commonly used in the Philippines and usually relates to food. That is why, in this Office's Trademark Registry there are numerous trademark registrations and applications for Class 29 and 30 bearing the word "FIESTA" such as "FIESTA", "FIESTA GULAMAN", "HAPPY FIESTA", "FIESTA PLATTERS", "FIESTA MIXX", "ROYAL FIESTA", "FIESTA VILLAGE", "EON FIESTA", "FIESTA FOOD", among others. This underscores the fact that "FIESTA" is widely used as a trademark and taken alone is not very distinctive as to effectively identify the source of goods and services. Hence, what will determine whether the competing trademarks are confusingly similar are the other words or symbols present in the marks. It is clear from the comparison of the marks that there are no other features that are similar. In Opposer's mark, the "UFC Logo" is placed on top of the word "GOLDEN FIESTA" and "HAPPi FIESTA", while in Respondent-Applicant's mark, an equally dominant word, "TROPICALE" is written in italicized way under the word "FIESTA". The letters are printed in white and set against a red rectangular shaded box with an orange border. These features of the mark confirm that they are not confusingly similar.

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.⁶ It is found that Respondent-Applicant's mark has sufficiently met the requirement of the law.


WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2010-008236 is hereby **DISMISSED**. Let the filewrapper of the

⁶ *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999.

subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 1 December 2015.


Atty. **NATHANIEL S. AREVALO**
Director IV
Bureau of Legal Affairs