

SAN MIGUEL CORPORATION,
Opposer,

-versus-

ATTY. LOWELL YU,
Respondent- Applicant.

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IPC No. 14-2014-00365
Opposition to:
Appln. Serial No. 4-2013-014497
Date Filed: 04 December 2013
TM: "ALDEAHOMES"

NOTICE OF DECISION

ANGARA ABELLO CONCEPCION REGALA & CRUZ
Counsel for Opposer
ACCRALAW Tower, 22nd Floor
Second Avenue, corner 30th Street
Crescent Park West, Bonifacio Global City
Taguig, Metro Manila

DATO INCIONG AND ASSOCIATES
Counsel for Respondent- Applicant
Unit 3103-A East Tower, PSE Center
Exchange Road, Ortigas Center
Pasig City

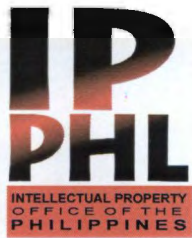
GREETINGS:

Please be informed that Decision No. 2016 - 167 dated June 08, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 08, 2016.

For the Director:

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



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Opposer,
 -versus-
 ATTY. LOWELL YU,
Respondent-Applicant.
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IPC No. 14-2014-00365
 Opposition to:
 Application No. 4-2013-014497
 Date Filed: 04 December 2013
 Trademark: "ALDEAHOMES"
 Decision No. 2016- 167

DECISION

SAN MIGUEL CORPORATION¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2013-014497. The application, filed by Atty. Lowell Yu² ("Respondent-Applicant"), covers the mark "ALDEAHOMES" for use on "real estate management, real estate brokers, real estate agencies, leasing of real estate" under Class 36 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

IV. DISCUSSION

"8. To support its opposition, Opposer shall establish that: (i) its 'BEL ALDEA' marks were filed and registered prior to the filing of Respondent-Applicant's trademark application for the 'ALDEA HOMES' mark; (ii) the 'BEL ALDEA' marks are validly registered and being used by Opposer; (iii) the marks 'BEL ALDEA' and the mark 'ALDEA HOMES' are confusingly similar and cover the same services, thus causing damage to Opposer; and lastly (iv) the use and registration of the 'ALDEA HOMES' mark will prejudice Opposer's interest and goodwill in the 'BEA ALDEA' marks.

"9. Opposer owns two (2) trademark registrations covering the word 'ALDEA': the word mark 'BEL ALDEA' (Registration No. 4/2010/009476) and the composite mark 'BEL ALDEA STYLIZED AND DESIGN' (Registration No. 4/2010/010839).

"10. The word mark 'BEL ALDEA' was filed with this Honorable Office on 27 August 2010 and registered on 10 March 2011. The mark covers services under Class 36 (insurance, financial affairs, monetary affairs, real estate affairs) and Class 37 (building construction, repair and installation services). x x x

¹A domestic corporation organized and existing under the laws of the Republic of the Philippines, with office address at No. 40 San Miguel Avenue, Mandaluyong City, 1550 Metro Manila, Philippines.
²With address at 6th Floor Unit 605 Ayala FGU, Cebu Business Park, Cebu, Philippines.
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.

"11. The composite mark 'BEL ALDEA STYLIZED AND DESIGN' was filed with this Honorable Office on 01 October 2010 and registered on 20 October 2011. The mark covers services under Class 36 (insurance, financial affairs, monetary affairs, real estate affairs) and Class 37 (building construction, repair and installation services). x x x.

"12. On the other hand, Respondent-Applicant filed his trademark application for the registration of the 'ALDEA HOMES' mark on 04 December 2013, three (3) years after Opposer's marks were filed and two (2) years after they were registered. x x x

"13. According to Exhibit A and B, Opposer's word mark 'BEA ALDEA' is valid up to 10 March 2021 while the composite mark 'BEL ALDEA STYLIZED AND DESIGN' remains valid until 20 October 2021.

"14. Opposer, together with its subsidiaries, is one of the largest and most diversified conglomerates in the Philippines. It started in 1890, bottling what would now become one of the best-selling beers in South-East Asia. Since then, Opposer has become a market leader in its established businesses in food, beverages, and packaging. It has also diversified into other fields, such as mining, telecommunication, fuel and oil, power, infrastructure and banking. x x x

"15. San Miguel Properties, Inc. (SMPI, for brevity) is a subsidiary of Opposer. It is Opposer's real estate arm, managing real-estate projects in Cavite, Laguna, Mandaluyong, Pasig, and San Juan City. Opposer uses the 'BEL ALDEA' marks through SMPI.

"16. Opposer's 'BEL ALDEA' mark is used, through SMPI, in its real estate business, in particular the development of the 17-hectare BEL ALDEA community in General Trias Cavite. As early as 25 March 1997, Opposer secured a certificate of registration from the Housing Land Use Regulatory Board (HLURB, for brevity) for its BEL ALDEA Subdivision Phase I. x x x

"17. Opposer has promoted and continues to promote its 'BEL ALDEA' marks. Apart from open houses and other on-site activities, the BEL ALDEA project and the 'BEL ALDEA' marks were promoted through flyers, billboards, booth exhibits, and Internet advertisements. x x x

"18. The following are the estimated advertising expenses incurred by Opposer in promoting its 'BEL ALDEA' marks:

x x x

"19. Attached hereto and made an integral part hereof as Exhibits P to P-18 are samples of Requests for Payment, Purchase Orders, Delivery Receipts, Statements of Account, and Invoices from third parties hired by Opposer to produce flyers and other advertising materials for the 'BEL ALDEA' marks. x x x.

"20. Jurisprudence has developed two tests in determining whether there is confusing similarity between competing marks namely the Dominancy test and the Holistic test.

"21. Opposer submits that applying either of these tests will result in the conclusion that the two trademarks are confusingly similar.

"22. Under the Dominancy test, which is now explicitly incorporated in the IP Code, confusing similarity is determined by examining the competing marks' prevalent features.

"23. In this case, the word 'ALDEA' is the dominant feature of Respondent-Applicant's trademark. Compared to the word 'HOMES,' which is disclaimed, the word 'ALDEA' has a thicker typeface and is framed by bars that highlight the letters. Consequently, the word 'ALDEA' creates a greater impression on the public since it is this part of the mark that a buyer will more likely remember.

"24. Comparing the dominant feature of Respondent-Applicant's mark and that of Opposer's ('ALDEA' and 'BEL ALDEA'), it is quite evident that they are confusingly similar. In fact, Respondent-Applicant's 'ALDEA' is incorporated in Opposer's trademarks.

"25. Aside from appearance, it is also important to consider the trademark's aural effect. In actual trade, buyers do not rely on visual presentation alone, but by verbal 'word of mouth.' In searching for a house, developer, or real estate agent, consumers might ask which one is better than the other, and another might verbally recommend 'ALDEA' without any qualification as to which project he is referring to. This is why as early as 1966, the Supreme Court declared that similarity in sound is a sufficient ground for a court to rule that two marks are confusingly similar when applied to merchandise of the same descriptive qualities.

"26. In this case, the aural effect of Respondent-Applicant's 'ALDEA' mark is part of the aural effect of Opposer's 'BEL ALDEA' marks.

"27. The fact that the marks subject of this case involve other elements ('BEL' and 'HOMES', the bar and leaves devices) is of no moment. First, the variation is not enough to avoid visual and aural confusion. Second, exact duplication as a means of determining whether confusing similarity exists is not required.

"28. As the Supreme Court held in the case of *Amigo Manufacturing vs. Cluett Peabody Co., Inc.*, '[i]f the competing trademark contains the main or essential or dominant features of another, and confusion and deception is likely to result, infringement takes place. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate.'

"29. Under the Holistic test, confusing similarity is determined by examining the entirety of the mark as applied to the products, including labels and packaging.

"30. Apart from the using the word 'ALDEA,' all marks involved in this case cover Class 36 services. Opposer's 'BEL ALDEA' marks cover: real estate affairs, which includes Respondent-Applicant activities, such as real estate management, real estate brokers, real estate agencies, and leasing of real estate. Thus, it is highly possible that consumers might wrongly assume that 'ALDEA HOMES' is another real estate project of Opposer or that Respondent-Applicant's brokers are affiliated with Opposer.

"31. This Honorable Office has decided a similar case in *Fuego Land Corporation vs. Cebu Holdings, Inc.* Although Cebu Holdings prevailed in that case, the principles and reasons behind the decision are applicable to the instant case.

"32. In the said case, Fuego opposed Cebu Holdings' application for the registration of the mark 'AMARA STYLIZED' covering real estate affairs. This Honorable Office found the 'AMARA' mark of Cebu Holdings to be confusingly similar to 'AMARA EN TERRAZAS' mark of Fuego. It held that '[t]here is no issue that the marks involved are identical, not with the style these marks were printed or presented or with the device used thereon but the word or mark AMARA appears both in the labels of the contending parties.'

"33. However, Cebu Holdings prevailed despite the finding of confusing similarity because Cebu Holdings proved to be the earlier filer and user of the 'AMARA' mark, through its Certificate of Registration and License to Sell from HLURB and other evidence of use.

"34. In the present case, Opposer should prevail because like in the Fuego case, both parties here use the word 'ALDEA.' Thus, paraphrasing the Fuego case, there is clearly no issue that the marks involved are identical, not with the style these marks were printed or presented or with the device used thereon but the dominant and prevalent word or mark 'ALDEA' appears both in the mark of the contending parties.

"35. Moreover, as between Opposer and Respondent-Applicant, Opposer is the earlier applicant and registrant with respect to the 'ALDEA' mark. It has also, as shown above, been actively and extensively using the mark for its 'BEL ALDEA' real estate project.

"36. There are two types of confusion: confusion of goods and confusion of business. In confusion of goods (product confusion), ordinary prudent purchasers are induced to buy one product in the belief that they are purchasing the other. In confusion of business (source or origin confusion), although the goods of the parties are different the mark applied for by one party, is such as might reasonably be assumed to originate from the registrant of the earlier trademark, and the public would then be deceived into thinking that there is some connection between the two parties.

"37. In this case, both types of confusion are apparent and present.

"38. Because of the confusingly similar trademarks cover the same service, it is very likely that the public would mistake one service for that of the other. The public might assume that Respondent-Applicant's brokers, agents, or employees are connected with Opposer or that the services that they provide are from Opposer. The use of the 'ALDEA HOMES' mark will also create the impression that Respondent-Applicant's and Opposer's services or real estate projects are the same or that one is but a variation of the other and that both come from the same source.

"39. Also, mere use of the 'ALDEA HOMES' mark will weaken the source-identifying valued of the 'BEA ALDEA' trademarks: trademark dilution by blurring.

"40. In dilution by blurring, use of the same, or very similar, trademark on various goods and services will diminish the strength of the famous trademark. The theory states that, while the public sees no business connection between the junior and the senior user of a trademark, the ability of the senior mark to serve as a unique identifier of goods and services may be weakened because the relevant public will now also associate that designation with a new and different source.

"41. In this case, mere use by Respondent-Applicant of his 'ALDEA HOMES' mark will create in the mind of consumers another association different from that produced by Opposer's 'BEL ALDEA' trademarks. The term 'ALDEA,' therefore, will no longer be exclusively attributable to Opposer because the 'ALDEA HOMES' mark will point to a different source. This association will weaken the source-identifying value of Opposer's 'BEL ALDEA' trademarks.

"42. In sum, it is evident that the registration of 'ALDEA HOMES' mark will violate Sections 123.1 (d) of the IP Code: The Respondent-Applicant's 'ALDEA HOMES' mark is confusingly similar to Opposer's 'BEL ALDEA' and 'BEL ALDEA STYLIZED AND DESIGN' trademarks, which were filed and registered before Respondent-Applicant's application for registration of his own 'ALDEA HOMES' mark. Moreover, the registration of 'ALDEA HOMES' mark will prejudice Opposer's interest over its trademarks.

The Opposer's evidence consists of a copy of Registration No. 4/2010/009476; a copy of Registration No. 4/2010/010839; a print-out of the trademark details of ALDEA HOMES; a printout of Opposer's company profile; a printout of San Miguel Properties, Inc.'s profile; a copy of the Certificate of Registration issued by the HLURB for Opposer's BEL ALDEA Subdivision Phase I; a copy of the HLURB license to sell issued on 31 May 2000 for BEL ALDEA Subdivision Phase I; brochures for the BEL ALDEA community; a printout of Opposer's website for the BEL ALDEA community; Opposer's official BEL ALDEA Facebook account; copy of the Declaration of Actual Use for BEL ALDEA; copy of the Declaration of Actual Use for the composite mark BEL ALDEA STYLIZED AND DESIGN; samples of Requests for Payment, Purchase Orders, Delivery Receipts, Statements of Account, and Invoices from third parties hired by Opposer to produce flyers and other advertising materials for the BEL ALDEA marks; and photos of booths, events, open houses, banners and posters promoting the BEL ALDEA marks.⁴

This Bureau issued a Notice to Answer and sent a copy thereof upon Respondent-Applicant on 27 October 2014. The Respondent-Applicant filed their Answer on 26 January 2015 and avers the following:

x x x

"IV

"AFFIRMATIVE DEFENSES

"7. Respondent-Applicant adopts and incorporates by way of reference all the material, pertinent, and relevant allegations contained in the preceding paragraphs.

"8. In its Opposition, Opposer prays for the rejection of the registration of the trademark 'ALDEA HOMES' covering services under Class No. 36 (insurance, financial affairs, monetary affairs, and real estate affairs).

⁴Marked as Exhibits "A" and "Q", inclusive.

"9. Opposer, in support of its prayer, avers that it owns two (2) trademark registrations covering the world 'ALDEA'. According to Opposer, its 'BEL ALDEA' trademark and 'BEL ALDEA STYLIZED AND DESIGN' was filed and validly registered prior to the filing of the 'ALDEA HOMES' trademark. Opposer further claims that such trademarks likewise covers services under Class No. 36 (insurance, financial affairs, monetary affairs, and real estate affairs).

"10. Opposer thus posits that the use of the mark 'ALDEA' in 'ALDEA HOMES' shall result in confusing similarity between the goods and services offered by Opposer, on the one hand, and that offered by Respondent-Applicant, on the other. According to Opposer, allowing Respondent-Applicant to register and use the 'ALDEA HOMES' trademark will not only cause damage to it, but will cause prejudice to its interest and goodwill.

"11. Respondent-Applicant takes strong exception to the averments of Opposer in its Opposition.

"12. As can be easily gleaned from Opposer's Opposition, it is questioning the trademark 'ALDEA HOMES'. This trademark was sought to be registered by herein Respondent-Applicant on 11 June 2013 through Application No. 04-2013-006742.

x x x

"13. It bears stressing that Respondent-Applicant did not push through with the registration of the trademark 'ALDEA HOMES' under Application No 04-2013-006742.

"14. The truth of the matter is that Respondent-Applicant filed another application on 4 December 2013 for the registration of the trademark 'ALDEAHOMES'. This application docketed as Application No. 4/2013/00014497, is the one presently pending before this Honorable Office.

"15. In this new application, 'ALDEA HOMES' is already written as one (1) word. The fact that 'ALDEA HOMES' is already written as one (1) word is evident from Respondent-Applicant's letter to the Director of Trademarks of this Honorable Office dated 4 June 2014, with the attached Affidavit of Disclaimer dated 5 June 2014, the Notice of Allowance 1 July 2014, and even from the print-out trademark details of 'ALDEAHOMES', notably attached as Exhibit 'C' for herein Opposer.

"16. Plainly, the present Opposition is directed against the wrong trademark - 'ALDEA HOMES', written as two (2) words, instead of 'ALDEAHOMES', written as one (1) word and which is the subject matter of the application pending before this Honorable Office. Otherwise stated, the present Opposition is directed towards a different trademark application which was no longer pursued by Respondent-Applicant.

"17. Plainly, this Honorable Office has no jurisdiction over the subject matter of Opposer's present Opposition. This being the case, the outright denial of Opposer's Opposition is not only warranted but is likewise in order.

"18. Even assuming for the sake of argument that the instant Opposition is directed against the application for the registration of 'ALDEAHOMES', the denial of such application for registration is not at all warranted.

"19. In opposing Respondent-Applicant's registration of the trademark 'ALDEAHOMES', Opposer is claiming an exclusive right to use the trademark 'ALDEA', Opposer's position is untenable.

"20. In the first place, the trademarks registered in favor of Opposer are 'BEL ALDEA' and 'BEL ALDEA STYLIZED AND DESIGN' and not just 'ALDEA'.

"21. This being the case, Opposer only has the right to prevent third parties not having its consent from using in the course of trade marks that are identical or similar to the trademarks it has registered, i.e., 'BEL ALDEA' and 'BEL ALDEA STYLIZED AND DESIGN'. Opposer has no right to prevent third parties not having its consent from using in the course of trade marks that are identical or similar to the mark 'ALDEA'.

"22. There is nothing in the evidence adduced by Opposer to even slightly show that it has been using the mark 'ALDEA' in the course of its trade. Neither is it shown that Opposer's business, services, and/or goods are designated, known, or advertised as 'ALDEA'. Moreover, Opposer was not able to show that the word 'ALDEA' in its trademark 'BEL ALDEA' is more prominent or dominant than the other word found in the trademark, i.e., 'BEL'.

"23. As plainly established by Opposer's evidence, its business, services, and/or goods are designated and are known as 'BEL ALDEA'.

"24. The foregoing considered, Opposer is clearly not in the position to prevent Respondent-Applicant from utilizing the word 'ALDEA' as part of the mark he is seeking to register.

"25. Since Opposer has no right to prevent third parties not having its consent from using in the course of trade marks that are identical or similar to the mark 'ALDEA', its prior use and registration of its trademark should not, in any manner, affect the registration sought by herein Respondent-Applicant.

"26. Respondent-Applicant takes exception to Opposer's submission that its 'BEL ALDEA' and Respondent-Applicant's 'ALDEAHOMES' are confusingly similar.

"27. The dominancy test focuses on the similarity of the main, prevalent or essential features of the competing trademarks that might cause confusion. Infringement takes place when the competing trademark contains the essential features of another.

"28. The dominancy test has been incorporated in Section 155 of the Intellectual Property Code as it prohibits any person from using in commerce without the consent of the owner of the registered trademark x x x

"29. Opposer apparently claims that the dominant or prevalent feature of its trademark 'BEL ALDEA' is the word 'ALDEA'. Hence, Opposer posits that herein

Respondent-Applicant's use of the word 'ALDEA' in the mark he seeks to register, i.e., 'ALDEA HOMES', shall create confusion with its registered trademark 'BEL ALDEA'.

"30. Respondent-Applicant begs to differ.

"31. In the first place, Opposer was not able to show that the word 'ALDEA' in its 'BEL ALDEA' trademark is more prominent or dominant than the other word found in the same trademark, i.e., 'BEL'. As a matter of fact and as can be clearly gleaned in the Certificates of Registration of Opposer's 'BEL ALDEA' and 'BEL ALDEA STYLIZED AND DESIGN', the words 'BEL' and 'ALDEA' are consistently written in the same line and in the same font type and size. There is nothing to indicate that the word 'ALDEA' is more prevalent or dominant. Plainly, 'BEL' and 'ALDEA' are of equal prominence.

"32. Neither can Opposer claim that it has a vested right over the word 'ALDEA'. This is since Opposer has not shown by any sort of proof that it has been using the mark 'ALDEA' in the course of its trade, i.e., in its advertisements, posters, labels, and the like. As shown by the evidence adduced by Opposer, its business, service, and/or goods are designated or known as 'BEL ALDEA'.

"33. Plainly, 'ALDEA' is not a prevalent or dominant feature of Opposer's registered trademark. As such, Opposer cannot claim any exclusive and/or prior right over the use of the word 'ALDEA'.

"34. The truth of the matter is that, apart from the word 'ALDEA' which, incidentally, cannot be deemed exclusive to Opposer, Opposer's trademark, i.e. 'BEL ALDEA', has no other notable similarity with Respondent-Applicant's 'ALDEAHOMES'.

"35. Through the use of visual similarity test, it is at once apparent that 'BEL ALDEA' does not bear any visual similarity with 'ALDEAHOMES'.

"36. There is likewise no phonetic similarity between 'BEL ALDEA', on the one hand, and 'ALDEAHOMES', on the other. Notably, the word 'ALDEA' is found at the end of Opposer's trademark while the same word is found at the beginning of Respondent-Applicant's trademark. As can be plainly observed, Opposer's trademark is composed of two (2) words, 'BEL' and 'ALDEA', which should be read together as 'BEL ALDEA'. On the other hand, the mark sought to be registered by herein Respondent-Applicant is composed on one (1) word, 'ALDEAHOMES'.

"37. Under the foregoing circumstances, Opposer cannot reasonably argue that Respondent-Applicant's 'ALDEAHOMES' is confusingly similar with its registered trademark on the basis of dominance test.

"38. The holistic test considers the entirety of the marks, including labels and packaging, in determining confusing similarity. The focus is not only on the predominant words but also on the other features appearing on the labels.

"39. The subject trademarks are:

x x x

"40. Using the holistic test and even from a minute comparison of the two (2) marks, it is at once apparent that herein Respondent-Applicant's 'ALDEAHOMES' bears no actual or apparent similarity with Opposer's 'BEL ALDEA'. There is absolutely no similarity between the color, fonts, designs, and stules respectively used for each of the subject trademarks.

"41. The visual dissimilarities between the two (2) subject trademarks are evident and significant. Since the consuming public can easily perceive the remarkable visual and aural differences between the two (2) trademarks, the possibility of confusion in their minds is easily negated.

"42. Under the foregoing circumstances, Opposer cannot reasonably argue that Respondent-Applicant's 'ALDEAHOMES' is confusingly similar with its registered trademark on the basis of the holistic test.

"43. Opposer further posits that Fuego Land Corporation v. Cebu Holdings, Inc., IPC No. 14-2006-00089, IPO Decision No. 07-105, 30 July 2007, a Decision rendered by this Honorable Office, should apply in the present case. In the Fuego case, this Honorable Office found that Cebu Holding's mark 'AMARA' is confusingly similar with Fuego's 'AMARA EN TERRAZAS' since the word or mark 'AMARA' appears on both labels of the contending parties.

"44. Respondent-Applicant takes exception to Opposer's position. The case of Fuego is not on all fours with the instant case.

"45. One notable difference of the present case with the Fuego case is that Fuego has been using in the course of its trade the word 'AMARA' to identify its business, services, and/or goods. This can be plainly seen from the website of Fuego's Amara En Terrazas.

"46. Since 'AMARA' is considered prominent or dominant in 'AMARA EN TERRAZAS', Fuego may reasonably oppose the registration of Cebu Holding's 'AMARA STYLIZED'.

"47. On the other hand, it bears reiterating that herein Opposer had failed to show that its business, services, and/or goods is known as 'ALDEA'. There is likewise no evidence on record to show that 'ALDEA' is the prominent or dominant feature of 'BEL ALDEA'.

"48. This being the case, Opposer cannot reasonably oppose herein Respondent-Applicant's registration of the mark 'ALDEAHOMES'.

"49. Indeed, no particular set of rules can govern each and every trademark cases. A precedent must be considered in the light of the facts and circumstances surrounding a particular case. This is the plain import of McDonalds Corporation v. MacJoy Fastfood Corporation, G.R. No. 166115, 2 February 2007.

x x x

"50. All told, Opposer cannot prevail on the basis of the Fuego case.

"51. Respondent-Applicant finally takes exception to Opposer's claim that the confusing similarity between its 'BEL ALDEA', on the one hand, and

Respondent-Applicant's 'ALDEAHOMES', on the other, shall result in confusion of goods and confusion of business. This, according to Opposer, shall prejudice its prior interest over its trademarks 'BEL ALDEA' and 'BEL ALDEA STYLIZED AND DESIGN' and shall cause damage to its business.

"52. Respondent-Applicant finds Opposer's position untenable.

"53. As exhaustively explained by Respondent-Applicant, there is no confusing similarity between Opposer's 'BEL ALDEA', on the one hand, and Respondent-Applicant's 'ALDEAHOMES', on the other. Hence, the consuming public shall not be confused as to the source of the goods and services of herein contending parties.

"54. In determining whether or not the consuming public may be confused or deceived as to the source of a certain product, one should likewise consider the cost of the services and/or goods covered by a certain trademark. It should be noted that the class of services and/or goods covered by the two (2) subject trademarks of the contending parties pertains to real estate. Real estate, unlike ordinary household items which are of minimal cost, is not inexpensive.

"55. As held in *Victorino P. Diaz v. People of the Philippines and Levi Strauss [Phils.], Inc.*, G.R. No. 180677, 18 February 2013, the casual buyer of an expensive item is predisposed to be more cautious and discriminating in and would prefer to mull over his purchase. Confusion and deception, then, is less likely. x x x

"56. The simulation, in order to be objectionable, must be such as appears likely to mislead the ordinary intelligent buyer who has a need to supply and is familiar with the article that he seeks to purchase.

"57. Considering the goods covered by herein opposing parties' subject trademarks are not at all inexpensive, their buyers shall subject such goods to deliberate, comparative, and analytical investigation. In view thereof and considering the remarkable visual and aural differences between the two (2) subject trademarks, it can hardly be assumed that the consuming public may be confused as to the source of the services and/or goods covered by the two (2) subject trademarks of the contending parties.

"58. Under these circumstances, it is plain that no damage or prejudice shall be caused to Opposer by the use and registration of Respondent-Applicant's trademark 'ALDEAHOMES'.

"59. Since, as can be gleaned from all the foregoing, the present Opposition is not at all warranted, there is nothing to prevent the use and registration of Respondent-Applicant's 'ALDEAHOMES' trademark.

The Respondent-Applicant's evidence consists of a copy of the Notice of Allowance dated 1 July 2014; a copy of the Trademark Application Form of Respondent-Applicant under Application No. 04-2013-006742; and print outs of the

search engine result page and the internet website of Fuego's Amara En Terrazas indicating Fuego's use of the mark AMARA.⁵

On 20 January 2016, the Preliminary Conference was terminated and the parties were directed to file their respective position papers. Thereafter, the case was deemed submitted for resolution.

Should the Respondent-Applicant be allowed to register the trademark ALDEAHOMES?

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 at the time the Respondent-Applicant filed its trademark application on 12 April 2013, the Opposer already has existing trademark registrations for the marks BEL ALDEA and BEL ALDEA STYLIZED AND DESIGN under Certificate of Registration No. 4-2010-009476 issued on 27 August 2010 and Certificate of Registration No. 4-2010-010839 issued on 20 October 2011 respectively. The registration covers "insurance; financial affairs; monetary affairs; real estate affairs" under Class 36 and "building construction; repair; installation services" in Class 37. This Bureau noticed that the services indicated in the Respondent-Applicant's trademark application, i.e. real estate management, real estate brokers, real estate agencies, leasing of real estate under Class 36, are similar or closely-related to the Opposer's.

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



Opposer's trademarks



Respondent-Applicant's mark

⁵Marked as Exhibits "1" to "3", inclusive.

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The Respondent-Applicant's mark ALDEAHOMES is confusingly similar to Opposer's trademarks BEL ALDEA and BEL ALDEA STYLIZED AND DESIGN. Even with the presence of the accompanying word HOMES written in all capital fonts and the word ALDEA is inside vertical boxes before the word homes which is not in the boxes, to the Bureau's mind, top of the mind recall would be the word ALDEA. The distinctive feature of the Opposer's mark is the word ALDEA not the word BEL nor the stylized letters and design, which word ALDEA was appropriated by the Respondent-Applicant. Thus, ALDEAHOMES is confusingly similar to Opposer's BEL ALDEA marks. Because the Respondent-Applicant's trademark application covers services that are similar and/or closely related to the Opposer's, particularly, real estate affairs under Class 36, it is likely that the consumers will have the impression that these services originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods/services 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

Public interest therefore requires, that two marks, identical to or closely resembling each other and used on the same and closely related goods or services, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. 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.⁷ This Bureau finds that the Respondent-Applicant's mark does not meet this function.

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-

⁶ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

⁷ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepe 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).


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. 4-2013-00014497 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, 08 JUN 2016.


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.