

MONSTER ENERGY CO.,
Opposer,

-versus-

JOHN LI,
Respondent- Applicant.

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} **IPC No. 14-2012-00424**
}
} Opposition to:
} Appln. Serial No. 4-2012-006321
} Date Filed: 28 May 2012
} **TM: "HAPI MONSTER"**
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}
}

NOTICE OF DECISION

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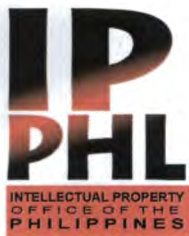
GREETINGS:

Please be informed that Decision No. 2016 - 209 dated June 30, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 30, 2016.

For the Director:

MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



MONSTER ENERGY CO.

Opposer,

-versus-

JOHN LI,

Respondent-Applicant.

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Date Filed: 28 May 2012
TM: "HAPI MONSTER"

Decision No. 2016 - 209

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DECISION

MONSTER ENERGY CO. ("Opposer")¹, filed an opposition to Trademark Application Serial No. 4-2012-006321. The application filed by JOHN LI ("Respondent-Applicant")² covers the mark "HAPI MONSTER" for use on "lollipop candies" under Class 30 of the International Classification of Goods.³

The Opposer alleges the following grounds:

"8. Opposer is the owner of numerous trademark registrations for its MONSTER and MONSTER ENERGY marks, and is the Registrant in the Philippines of the following marks with their respective registration details:

x x x

xxx The change in the Opposer's company name stated in paragraph 1 hereof in relation to Opposer afore-identified Philippine Trademark registrations were the subject of requests for recordals filed with the Bureau of Trademarks on January 25, 2012. Said recordals were effected on this Office's appropriate book of recordals, and reflect a uniform recordal date of January 25, 2012. xxx

"9. The Respondent-Applicant's registration of his mark 'HAPI MONSTER' chiefly contravenes Section 123.1 sub-paragraph (d) of Republic Act No. 8293 ('R.A. 8293' or the 'IP Code', that states, to wit:

x x x

¹ A corporation organized and existing under the laws of Delaware, U.S.A with address at 1 Monster Way, Corona, California, 92879 U.S.A.
² A Chinese citizen with address at 90 Marc 2000 Tower, San Andres corner Taft Avenue, Malate, Manila.
³The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

"10. Respondent-Applicant's Mark, particularly the term 'MONSTER' appearing as a prominent portion of said composite mark, so resembles the Opposer's Marks, as to be likely when applied to or used in connection with the Respondent-Applicant's goods, to deceive or cause confusion with those of Opposer's goods/lines of business bearing the Opposer's Marks.

"11. The use by Respondent-Applicant of the mark 'HAPI MONSTER' on goods that are similar, identical or closely related to the Opposer's goods that are produced by, originate from, offered by, or under the sponsorship of herein Opposer bearing the latter's Marks, will greatly mislead the purchasing/consumer public into believing that Respondent-Applicant's goods are produced by, originate from, or under the sponsorship of the Opposer.

"12. Opposer has not abandoned the use in other countries around the world, including here in the Philippines, of its Marks.

"13. By virtue of the prior and continued use of the Opposer's Marks in many countries around the globe made by herein Opposer, said marks have become popular and internationally well-known, including in the Philippines, and has established valuable goodwill for the Opposer with the purchasing/consumer public, which has identified Opposer as the owner and the source of goods and or products using said ingredients bearing the Opposer's Marks.

"14. In view of the foregoing, the Respondent's Mark may also be considered in contravention of Section 123.1 (f) of our IP Code, which states, to wit:

x x x"

Opposer's evidence consists of the following:

1. Exhibit "A" - Legalized copy of Certificate of Amendment of Articles of Incorporation;
2. Exhibit "B" - Certificate of Registration No. 4-2010-011796 for the mark MONSTER ENERGY issued on 28 July 2011 for Classes 5, 32 and 33;
3. Exhibit "C" - Certificate of Registration No. 4-2010-010159 for the mark M MONSTER ENERGY (DESIGN) issued on 31 March 2011 for Classes 16 and 25;
4. Exhibit "D" - Certificate of Registration No. 4-2009-012638 for the mark MONSTER issued on 01 July 2010 for Classes 5, 32;
5. Exhibit "E" - Certificate of Registration No. 4-2011-007042 for the mark MONSTER REHAB issued on 03 December 2011 for Classes 5, 30 and 33;
6. Exhibit "F" - Certificate of Registration No. 4-2009-012639 for the mark JAVA MONSTER issued on 01 July 2010 for Classes 5, 32;
7. Exhibit "G" - Certificate of Registration No. 4-2010-012110 for the mark X-PRESSO MONSTER issued on 14 April 2011 for Classes 5, 32;
8. Exhibit "H" - Certificate of Registration No. 4-2011-013987 for the mark MONSTER RECOVERY issued on 12 April 2012 for Class 32;
9. Exhibit "I" - Certificate of Registration No. 4-2011-014126 for the mark MONSTER RECOVERY issued on 12 April 2012 for Class 5;

10. Exhibit "J" - Duplicate original of the copies of Certificate of Amendment of Articles of Incorporation of Hansen Beverage Company with notation of recordal;
11. Exhibit "K" - certified copy of the list of trademark registrations of Opposer's MONSTER marks;
12. Exhibit "L" - Legalized Affidavit of Mr. Rodney Cyril Sacks;
13. Exhibits "M" to "NN" - certified copies of certificates of registration for Opposer's MONSTER marks issued in European IPO, Hong Kong, Japan, Korea, Singapore, Taiwan, and U.S.A.;
14. Exhibit "OO" - legalized copies of samples of promotional, advertising, marketing materials of Opposer pertaining to its MONSTER marks; and
15. Exhibit "PP" - legalized Supplemental Affidavit of Mr. Sacks.

This Bureau issued on 27 November 2012 a Notice to Answer and personally served a copy thereof upon the Respondent-Applicant on 17 December 2012. After two motions for extension, Respondent-Applicant filed its Answer alleging the following Special and Affirmative Defenses:

"1. The cauldron of the opposition is that Opposer's Marks "MONSTER ENERGY" (name and design) and the ramifications thereof "resembles that of herein applicant's 'HAPI MONSTER' mark for its **Lollipop Candies.**" Opposer presses that the contending marks are confusingly similar because the word or term MONSTER is found in both.

"2. The claim of the Opposer being unlikely and far-fetched is puerile as the governing law itself provides the yardsticks on matters of issues on "confusing similarity" involving the adoption of the same trademark by two (2) claimants. Section 123 of the Code provides as follows:

x x x

"3. First and foremost, the contending goods are **different** and **unrelated**. This applicant –respondent's marks are intended to cater to its **lollipop candies**, while that of Opposer who is admittedly on **beverage products**.

"4.The use of the same mark by different claimants on completely different products does not give rise to confusing similarity. In *Esso Standard Inc. vs. CA* it ruled thus:

x x x

"5. To be quite frank, Opposer's marks (MONSTER ENERGY) popularity in the Philippines lags behind its famous local competitors, "COBRA", "STING", RED BULL" and the internationally known "GATORADE." This comparison however is just to stress out and rebut the opposer being a braggadocio on its claimed fame. The self-serving claim of fame of Opposer's products in the Philippines is therefore illusionary.

"6.The above equation is not the main argument against the likelihood of confusion. But it is the underlying premise. Of course, it cannot be denied that the "Claw Icon" is indeed famous but this applicant is also most certain that public consumers do not know to what products it stands.

"7. That 'claw icon' is famous but not the word 'MONSTER.' In fact, in the minds of and in the standpoint of the public in general, there is no connection between the two or the relation or association is unclear. But one thing is clear: the claw icon and even the MONSTER mark do not and have not yet settled in the minds of the consumers that they refer to a class of beverages or just one of those energy drinks in the stall. The apprehension of the Opposer therefore of a likelihood of confusion is uncalled for and baseless.

"8. It is worthy to note the Opposer's products compared to the other energy drinks, is a bit pricey. The Monster Energy Drinks cater to a different market than that of the other energy drinks. This alone separates opposer's products to that of its competitors. Otherwise put, Opposer's products has a distinct market and this market has already settled in their minds what products they are apt into. This market does not know of this applicant's products and vice versa. Confusion is out-of-this-world word. The fear then of the Opposer dwells on pure surmises and conjectures.

"9. Moreover, 'Hapi Monster' marks of the applicant are for cheap, a one-peso lollipop product being peddled typically in small sari-sari stores. Opposer's MONSTER marks for beverages. The range of products associated with the Opposer' marks are similar - beverages. That of the applicant is just one of those candies, jellies. It is truly inconceivable for ordinary consumers to regard the parties' goods as even remotely related. Candies on one hand, and Energy drinks, are two very different and distinct categories of goods, with each group having different attributes, purposes and qualities.

"10. As regards the determination of the likelihood of confusion, American courts offer us useful suggestions. Relevant considerations are:

x x x

"12. The contending marks juxtaposed to each above speak for themselves. Under these parameters and with the above dissertations, the likelihood of confusion is totally off the fire. Possible answers to the above guides all shows in the *negative*.

12.a. *First*, "MONSTER ENERGY" and "HAPI MONSTER" are dissimilar. In the first, it is suited as an adjective word while in the second, it used as a noun. The respective meanings by context are therefore distinct too. In the first, it suggests gigantic or huge. In the second, the used of the word 'monster' has link to kiddie stuff or toys. The appeal is therefore made on its intended market – the kids.

12.b. *Second*, with the famous "Claw Icon" design being associated with MONSTER ENERGY CO., the former overshadowing the latter, there is absolute no similarity between the contending marks.

12.c. *Third*, MONSTER ENERGY is known on beverage drinks while that of HAPI MONSTER is just a trade dress of applicant's lollipop candies.

12.d. *Fourth*, with the disparity of product lines, MONSTER ENERGY expanding on lollipop candies is off the track.

12.e. *Fifth*, the marketing channels of the two contending marks are poles apart.

12.f. *Sixth*, there is absolutely no evidence of confusion in the case at bar.

12.g. *Seventh*, as mentioned in 12.c. the products are dissimilar.

12.h. *Eight*, buying an energy drinks which is pricey require more caution than buying a lollipop which just cost one peso.

"13. Anent the last standard, the Court has evolved a useful guideline. In determining whether or not there is likelihood of confusion, **it will be material to consider who the purchaser will be.** In *R.F. & J. Alexander and Co. v. Ang*, it defined purchaser as 'ordinary purchaser', the 'casual purchaser who knows the goods only by name,' the 'average purchaser.' In *Lim Hoa v. Director of Patents*, in determining who is an ordinary purchaser **it depends a great deal on the price or the value of the commodity, for this in turn will determine who the purchaser will be and the degree of caution 'the average purchaser' will use.** Said the Court:

x x x

"14. To repeat, for it bears repeating that the likelihood of confusion is completely negated by the fact that in the Opposer's products the same is bought generally by athletes, professionals, health buffs who oftentimes take time to read all its **nutrient-ingredients** rather than of herein applicant's products whose market are the kids, who at times does not even know yet how to read but buy basing on pictorial representations, bright colors of some kiddie stuff or the like.

"15. Along these lines, it is even more worthy to state that evidently herein applicant-respondent had utilized the famous *Pinoy* slang word "HAPI" in order to forestall confusion. There is honest attempt to prevent confusion. This is very relevant as the Court even allowed the use of "HICKOCK" for locally produced shoes with the additional words "Made in Marikina, Rizal, Philippines" dismissing the opposition of Hickok, a foreign corporation for wallets, belts and men's briefs.

"16. Considering further that the contending products – MONSTER's energy drinks and that HAPI MONSTER's lollipop candies - are dissimilar, it is apt to state that the **trade dress** will be a relevant consideration.

x x x."

Should the Respondent-Applicant be allowed to register the mark **HAPI MONSTER**?

Section 123.1 (d) of the IP Code provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or

priority date in respect of the same goods or services or closely related goods or services, or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

The records show that at the time the Respondent-Applicant filed its application for the mark HAPI MONSTER on 28 May 2012, the Opposer already has an existing registration for the trademark MONSTER, MONSTER ENERGY, M MONSTER ENERGY, among others, covering goods falling under classes 5, 32, 33, 16. Opposer's MONSTER marks are used on goods ranging from *dairy based beverages, coffee based beverages, alcoholic, nutritional supplements in liquid form, non-alcoholic beverages, ready to drink tea and iced tea* to name a few. On the other hand, Respondent-Applicant's HAPI MONSTER is used on *lollipops*. As such, Opposer's and Respondent-Applicant's goods are non-competing or not related.

But are the marks of the parties confusingly similar as to likely cause confusion, mistake or deception among the consumers?



MONSTER ENERGY

MONSTER

Opposer's Marks



Respondent-Applicant's Marks

Respondent-Applicant's marks are similar to Opposer's in so far as the word "MONSTER" which is one of Opposer's mark is present in its mark HAPI MONSTER. However, this Bureau finds that the presence of the word "MONSTER" in both marks is insufficient to establish a finding of confusing similarity between the competing marks to sustain the opposition. The word "MONSTER" which means "an imaginary creature that is typically large, ugly, and frightening" is a word commonly used as a trademark. That is why, in this Office's Trademark Registry there are numerous trademark registrations and applications for Class 30 bearing the word "MONSTER" such as: "MONSTER CRUNCH", "BREAD MONSTER", "HONEY MONSTER", "COOKIE MONSTER", "MONSTER SPAGHETTI MEATBALLS" and "ICE MONSTER". In addition, other MONSTER marks have also been registered by this Office for goods in various classes. This underscores the fact that "MONSTER" is widely used as a trademark and taken alone is not very distinctive as to effectively identify the source of goods or services. Hence, what will determine whether the competing trademarks

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are confusingly similar are the other words or symbols present in the marks. Respondent-Applicant's mark also contains the word "HAPI" to form the mark 'HAPI MONSTER' which is written in bold letters and in stylized manner in contrast to Opposer's MONSTER marks which is written in plain uppercase letters. Also, Opposer has not adopted the word "HAPI" in any of its marks. Furthermore, as earlier pointed out, the parties goods are non-competing and not related. This only confirms that Opposer's and Respondent-Applicant's marks 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.⁴ This Bureau finds that the Respondent-Applicant's mark meets this function.

WHEREFORE, premises considered, the instant opposition is hereby *DISMISSED*. Let the filewrapper of Trademark Application Serial No. 4-2012-006321, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City. 30 JUN 2016


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

⁴See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.