

WARNER BROS. ENTERTAINMENT INC.,
Opposer,

-versus-

ACE ELECTRONIC TECHNOLOGY, INC.,
Respondent- Applicant.

X-----X

IPC No. 14-2011-00382
Opposition to:
Appln. Serial No. 4-2010-001533
Date Filed : 11 February 2010

Trademark: "PINOY ROAD
RUNNER"

NOTICE OF DECISION


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GREETINGS:

Please be informed that Decision No. 2016 - 342 dated October 04, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 04, 2016.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

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ACE ELECTRONIC TECHNOLOGY, INC.,	}
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x-----x	} Decision No. 2016- 342

DECISION

WARNER BROS. ENTERTAINMENT INC. (Opposer)¹ filed an opposition to Trademark Application Serial No. No. 4-2010-001533. The application, filed by **ACE ELECTRONIC TECHNOLOGY, INC.** (Respondent-Applicant)², covers the mark "PINOY ROAD RUNNER", for use on "taxi meters" under Class 9 of the International Classification of Goods³.

In support of the opposition, the opposer relies on the following grounds:

"(a) Opposer is the prior user and first registrant of ROAD RUNNER in the Philippines, well before the filing of the Respondent's PINOY ROAD RUNNER trademark, which was only filed on 11 February 2010. The registration details of the various ROAD RUNNER marks held by Opposer are as follows:

MARK	Registration Number	Date of Application	Date of Registration	Class of Goods
ROAD RUNNER & REPRESENTATION	4-1999-009467	7 December 1999	18 March 2006	14
ROAD RUNNER AND REPRESENTATION	4-2000-004314	26 May 2000	17 August 2006	9 and 28

The Opposer has also registered the ROAD RUNNER Marks in other countries. Opposer continues to use the ROAD RUNNER Marks in the Philippines and in numerous countries.

¹ A corporation duly registered and existing under the laws of Delaware, U.S.A. with principal address at 4000 Warner Blvd., Burbank, California, U.S.A.

² A Philippine corporation with address at 812 Elcano Street, Binondo, Manila

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.

"(c) Respondent's PINOY ROAD RUNNER mark is identical and confusingly similar to Opposer's ROAD RUNNER Marks and thus runs contrary to Section 123 of the IP Code. Section 123 (d), (e), (f) and (g) of the IP Code provide:

Sec. 123.1. Registrability. 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.

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark with 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 public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;"

(f) is identical with, or confusingly similar to, or constitutes a translation of, a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or services which are not similar to those with respect to which registration is applied for: *Provided*, That use of the mark in relation to those goods or services, would indicate a connection between those goods and 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;

(g) Is likely to mislead the public particularly as to the nature, quality, characteristics or geographical origin of the goods and services.

Respondent's PINOY ROAD RUNNER mark appropriates the vital element of Opposer's ROAD RUNNER Marks that would support a finding of sufficient similarity, if not identity, between the competing marks in terms of spelling, pronunciation and appearance. The incorporation of ROAD RUNNER in Respondent's mark cuts too closely to the famous ROAD RUNNER Marks owned by Opposer, to escape notice.

Further, the marks involve the same class of goods, i.e., class 9. Hence, the registration of Respondent's PINOY ROAD RUNNER mark in connection

with the same goods under which Opposer's marks are registered will confuse consumers into believing that PINOY ROAD RUNNER originates from Opposer, or are otherwise sponsored by or associated with Opposer, particularly as 'taximeters' under class 9 are closely related to Opposer's 'computer and software programs' among others, for which its ROAD RUNNER trademark is registered under class 9.

Opposer is the owner of the well-known ROAD RUNNER trademark, which had long been used all over the world in relation to the famous Road Runner and Wile E. Coyote cartoons created in 1948.

All of the foregoing support a finding of a sufficient similarity between the competing marks, if not identity with the ROAD RUNNER marks. All told, there appears to be studied attempt to copy Opposer's well-known ROAD RUNNER Marks, and ride on the goodwill it has created through 63 years of continues use.

By suggesting a connection, association or affiliation with Opposer, when there is none, Respondent will no doubt cause confusion among the minds of the general public and substantial damage to the goodwill and reputation associated with the ROAD RUNNER marks, as well as Opposer's own business reputation.

"(d) The competing marks, when read aloud, constitute idem sonans to a striking degree, which alone constitutes sufficient ground for the Honorable Office to rule that the marks are confusingly similar, more so as the marks involve the same class of goods.

"(e) The Opposer has also used and registered the ROAD RUNNER Marks in other countries, which thereby classifies ROAD RUNNER as a registered and well-known trademark, both internationally and in the Philippines. xxx

"(f) If allowed to proceed to registration, the consequent use of PINOY ROAD RUNNER mark by Respondent will amount to unfair competition with the dilution of Opposer's ROAD RUNNER marks, which has attained valuable goodwill and reputation through years of extensive and exclusive use. This is prohibited under Section 168 of the IP Code.

Opposer's goodwill is a property right separately protected under Philippine law. xxx

"(g) The registration of Respondent's mark will work to impede the natural expansion of Opposer's use of its ROAD RUNNER Marks in the Philippines.

"(h) The registration and consequent use of the PINOY ROAD RUNNER mark by Respondent will result in confusion of source or

reputation which is proscribed under the IP Code and applicable precedents; and

"(i) Other provisions of the IP Code and related international agreements or conventions on the subject of intellectual property rights warrant the denial by this Honorable Office of Respondent's trademark application.

"7. Opposer and/or its respective subsidiaries, joint ventures, sister concerns, predecessors-in-title, licensees and assignees in several other countries have extensively promoted the ROAD RUNNER Marks worldwide. ROAD RUNNER has obtained significant exposure for the goods upon which it is used in various media, including television commercials, advertisements, internationally well-known print publications, other promotional events.

"8. Opposer has not consented to Respondent's use and application for registration of the PINOY ROAD RUNNER mark, or any other mark identical or similar to Opposer's ROAD RUNNER Marks.

"9. The goods for which Respondent seeks to use its PINOY ROAD RUNNER mark are similar, identical or closely related to the goods that are produced by, originate from, or are under the sponsorship of Opposer. This will mislead the purchasing public into believing that Respondent's goods are produced by, originate from, or are under the sponsorship of Opposer when in fact there is simply no connection between Respondent and Opposer. Potential damage to Opposer may result in light of its inability to control the quality of the products offered or put on the market by respondent under the PINOY ROAD RUNNER mark.

"10. At the very least, the use by Respondent of the PINOY ROAD RUNNER mark in relation to the goods to its goods, whether or not identical, similar or closely related to Opposer's goods will take unfair advantage of, dilute and diminish the distinctive character or reputation of ROAD RUNNER marks, a valued asset of Opposer, and thereby result in the clear irreparable damage to Opposer's goodwill and reputation.

"11. It is apparent that Respondent's mark is calculated to ride on or cash in on the popularity of the ROAD RUNNER Marks, which undoubtedly has earned goodwill and reputation worldwide through Opposer's extensive use and promotion since 1948, as the name of the greater road runner cartoon character famous for its 'Beep! Beep!' and outrunning its nemesis E. Coyote, in turn known for using absurd contraptions and elaborate plans to pursue and catch Road Runner. There appears to be no reason why, of all the many words available in various languages, Respondent would choose to use PINOY ROAD RUNNER for 'taxi meters' used on cars, except only to draw on the magnetism that

Opposer has generated in its ROAD RUNNER Marks through the years across the globe.xxx"

The Opposer submitted as evidence the following:

1. Legalized Notice of Opposition and Special Power of Attorney;
2. Legalized Affidavit of Janet A. Kobrin;
3. Print-out of screenshots taken from looneytunes.kidswb.com, catalogues, advertising and promotional materials, table of trademark registrations, various trademark registrations;
4. Certified true copy of Philippine Certificate of Registration No. 4-1999-009467 dated 18 March 2006 for the mark "ROAD RUNNER & REPRESENTATION"; and
5. Certified true copy of Philippine Certificate of Registration No. 4-2000-004314 dated 17 August 2006 for the mark "ROAD RUNNER & REPRESENTATION"⁴

The Respondent-Applicant filed its Answer on 29 November 2011, alleging, among others, the following affirmative defenses:

"7. Opposer's claim to have exclusive right to use the word 'Road Runner' deserves scant consideration. The phrase 'Road Runner' is a generic term which means 'A long tailed crested desert bird that can run swiftly'. As a generic term or descriptive term, said phrase cannot be appropriated by opposer exclusively. xxx

"8. Being a generic term representing a species of bird, 'Road Runner' cannot be exclusively used or appropriated by opposer. The proposition is elucidated by the Honorable Supreme Court in the case of Asia Brewery Inc. v. Court of Appeals, thus: xxx

Given the aforementioned circumstances, opposer cannot prohibit respondent-applicant from using the term Road Runner as part of its trade name PINOY ROAD RUNNER.

"9. Opposer's claim that respondent-applicant's 'Pinoy Road Runner' is identical and confusingly similar to their Road Runner marks is completely baseless.

a. Respondent-applicant's 'Pinoy Road Runner' consists solely of the said phrase with no drawing or illustration whatsoever.

b. Under the Trademarks law, there are two kinds of confusion that would likely result in using similar or identical trade names. One is CONFUSION OF GOODS (product confusion) while the other one is CONFUSION OF BUSINESS (source or origin confusion).

⁴ Exhibits "A" to "D" with submarkings

As distinguished one from another, CONFUSION OF GOODS would arise in the event that the ordinary prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. On the other hand, in CONFUSION OF BUSINESS, 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 the belief that there is some connection between the plaintiff and defendant which in fact does not exist.

"10. Contrary to opposer's claim neither of the aforementioned confusion will result with respondent-applicant's use of 'Pinoy Road Runner' on taximeters.

a. There can possibly be NO confusion of goods. It is of public knowledge that Warner Bros. business comes within the range of movie/cartoon outfits, character items and soundtracks. Further, respondent-applicant's taximeter's cannot be considered to be included in opposer's computer and software programs.

While both fall under class 9, respondent-applicant's taxi meters are not computers and software programs. On the contrary, said devices are attached to taxi units in order to determine the fare to be paid by passenger.

An end user intending to buy opposer's products will never think, believe or imagine that respondent-applicant's taximeters are manufactured by opposer. Respondent-Applicant does not directly sell to the end user *per se*. It must be remembered that the taxi meters are purchased by specific business enterprises (taxi operators) unlike opposers who sell comics, computer software programs, and the like directly to the one reading, etc.

b. There can be NO confusion of business. Respondent-applicant's business is in the line of electronics and transportation. An ordinary prudent consumer would be able to distinguish between brands/goods manufactured by opposer and that respondent-applicant's taximeters.

There is a logo of opposer placed on its products which do not include taximeters or electronics for transport business.

Neither will they imagine that a taximeter would be probably be a product or within the line of opposer's business.

Hence, there cannot be an instance, to relate or confuse Road Runner Trademark of opposer to respondent-applicant's taxi meter trademark, opposer not being engaged in the taxi or vehicles for hire or the business of selling taxi meters.

"11. As to the alleged similarity and identity, by merely or simply looking at the taxi meter, the big fonts PINOY will distinguish respondent-applicant's trademark from that of the opposer. Moreover, the logo used in the taximeter does not have a caricature of a bird known as 'roadrunner' supposedly popularized by opposer. The use of the Road Runner is merely descriptive of the taxi cabs running, if not speeding on the Philippine roads. To fully appreciate the matter, respondent-applicant hereby attached photocopy of the taxi meter cover. xxx

"12. The Dominancy Test has greater weight in the determination of similarity or identity of goods involved in trademark cases. xxx

"13. Applying the aforementioned test, respondent-applicant's trademark is not and cannot be considered to be deceptively similar to that of the opposer. As a matter of fact, there is neither similarity in fonts, appearance or features. Most importantly (to reiterate), respondent's mark does not have the drawing of a bird much less that used by opposer.

"14. In order to prevent registration of respondent-applicant's trademark, opposer argues that to allow its registration will amount to unfair competition has no leg to stand on especially in the light of the fact that the latter does not carry taxi meters as one of its products. There can be no unfair competition since opposer does not have any product like that of respondent-applicant's taximeters. In other words, opposer will not lose any single centavo from respondent-applicant's taxi meters and the latter will not gain anything from opposer.

Respondent-Applicant submitted a photocopy of its taxi meter cover and a Secretary's Certificate dated 23 August 2011.⁵

On 9 July 2012, the Preliminary Conference between the parties was terminated, and the Hearing Officer directed them to file their respective position papers. The Opposer and the Respondent-Applicant filed their position papers on 17 August 2012 and 6 August 2012 respectively.

Should the Respondent-Applicant be allowed to register the trademark PINOY ROAD RUNNER?

Records show that while at the time Respondent-Applicant applied for registration of the mark PINOY ROAD RUNNER, the Opposer already has existing trademark registrations in the Philippines, particularly, ROAD RUNNER & REPRESENTATION under Certificate of Registration No. 4- 1999-009467 dated 18 March 2006 and ROAD RUNNER & REPRESENTATION under Certificate of Registration No. 4- 2000-004314 dated 17 August 2006. The goods covered by the Opposer's trademark registration include Class 9, same as indicated in the Respondent-Applicant's trademark application.

⁵ Exhibits "1"- "2"

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

The competing marks are depicted below:

Opposer's marks

Respondent-Applicant's mark



It is apparent that the representation of a bird and the words PINOY ROAD RUNNER are visually different. As regards to the use of the identical words ROAD RUNNER, records show that the Opposer uses its mark on "computer and software programs" while the Respondent-Applicant on "taxi meters", albeit both in Class 9. In addition, the Respondent-Applicant's mark includes the word PINOY (disclaimed) written in a bigger and bolder font. A perusal of the taxi meter cover⁶ show that it includes the tagline "Proudly Designed and Made in the Philippines". On account of the difference in the goods of the parties and the commercial presentation of the marks, it is unlikely that confusion among the public would occur. The goods are unrelated and non-competing. The channels of trade where the goods flow are worlds apart. The target market or consumers are also different, thus it is unlikely that on account of the identity of the words ROAD RUNNER, the public would be vulnerable to confusion much less deception. In Canon Kabushiki Kaisha v. Court of Appeals, the Supreme Court⁷ held:

xxx petroleum products on which the petitioner therein used the trademark ESSO, and the product of respondent, cigarettes are "so foreign to each other as to make it unlikely that purchasers would think that petitioner is the manufacturer of respondent's goods". Moreover, the fact that the goods involved therein flow through different channels of trade highlighted their dissimilarity xxx

Thus, the evident disparity of the products of the parties in the case at bar renders unfounded the apprehension of petitioner that confusion of business or origin might occur if private respondent is allowed to use the mark CANON."

Thus, both may co-exist as long as the goods/services are not similar or closely related. In fact, the parties' respective businesses are so unrelated to even think that Opposer is producing such goods.

⁶ Exhibit "1"

⁷ G.R. No. 120900, 20 July 2000

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2010-001533 is hereby **DISMISSED**. 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, 04 OCT 2016.



Atty. **ADORACION U. ZARE, LL.M.**
Adjudication Officer
Bureau of Legal Affairs