

JOHNNY ROCKETS LICENSING, LLC,
Opposer,

-versus-

ROCKETS SAUSAGES AND BEYOND, INC.,
Respondent-Applicant.

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IPC No. 14-2011-00309
Opposition to:

Appln. Serial No. 4-2010-990170
Date Filed: 03 September 2010

**TM: ROCKETS SAUSAGES
AND BEYOND**

NOTICE OF DECISION

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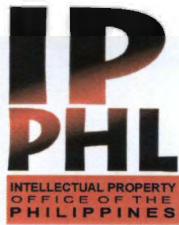
GREETINGS:

Please be informed that Decision No. 2016 - 427 dated 25 November 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 28 November 2016.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



JOHNNY ROCKETS LICENSING, LLC.,
Opposer,

-versus-

ROCKETS SAUSAGES AND BEYOND, INC.,
Respondent-Applicant.

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} **IPC NO. 14-2011-00309**
} Opposition to:
}
} Appln. Ser. No. 4-2010-990170
} Date Filed: 3 September 2010
} Trademark: **ROCKETS**
} **SAUSAGES & BEYOND**
}
} Decision No. 2016- *427*

DECISION

JOHNNY ROCKETS LICENSING, LLC ., (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2010-990170. The application, filed by ROCKETS SAUSAGES AND BEYOND, INC. (Respondent-Applicant)², covers the mark “ROCKETS SAUSAGES & BEYOND”, for use on “services providing food and drinks” under Class 43 of the International Classification of Goods³.

The Opposer alleges the following in support of its opposition:

“1. Opposer is the owner of the marks JOHNNY ROCKETS and JOHNNY ROCKETS THE ORIGINAL HAMBURGER AND DESIGN, which have been registered by the Opposer in the Philippines even prior to Respondent-Applicant’s application for the confusingly similar mark ROCKETS SAUSAGES & BEYOND.

“1.1. On February 21, 2005, a trademark application for JOHNNY ROCKETS THE ORIGINAL HAMBURGER AND DESIGN was filed by Opposer with the Intellectual Property Office under Serial No. 4-2005-001720 for services under class 43 namely ‘restaurant services’. It was thereafter registered on June 8, 2006 and remains validly registered up to this date.

“1.2. On February 21, 2005, a trademark application for JOHNNY ROCKETS word mark under Serial No. 4-2005-001721 for services under class 43 namely ‘restaurant services’. JOHNNY ROCKETS was registered on June 8, 2006 and remains valid and existing up to this date.

¹ A limited liability company duly organized under the laws of the state of California, United States of America with address at 20 Enterprise, Suite 300, Alisa Viejo, CA 92656, U.S.A.

² A corporation duly organized and existing under the laws of the Philippines with address at Km. 17 Celilu Compound , Ortigas Ave. Extension, Brgy. Sto. Domingo, Cainta Rizal.

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.

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"1.3. Respondent-Applicant ROCKETS SAUSAGES AND BEYOND INC. on the other hand filed its application to register its mark ROCKETS SAUSAGES & BEYOND device only on 3 September 2010, or more than five (5) years after the Opposer's marks have been filed also for services in class 43 namely, 'services for providing food and drink'.

"1.4. The services covered by Opposer's marks JOHNNY ROCKETS and JOHNNY ROCKETS THE ORIGINAL HAMBURGER AND DESIGN, and the services covered by Respondent-Applicant's trademark for ROCKETS SAUSAGES & BEYOND Device are related. Firstly, both the Opposer and Respondent-Applicant sell food as their primary products. Secondly, both parties offer services of providing foods and drinks. Thirdly, both parties offer as their specialties or primary products similar or related food products such as sausages and hamburgers.

"1.5. Further, Respondent-Applicant's ROCKETS SAUSAGES & BEYOND mark is identical or at the very least, confusingly similar to Opposer's trademark JOHNNY ROCKETS. Both marks are almost identical as shown hereunder:xxx

"1.5.1. Both trademarks contain the dominant word ROCKETS and display the said word conspicuously. Said word as it appears on the respective marks becomes a dominant feature for each;

"1.5.2. Both trademarks have the colors yellow and red as their dominant colors with the further design that the red is superimposed over the yellow background;

"1.5.3. The dominant text on both marks are positioned in such a way that they slant upwards;

"1.5.4. Both trademarks feature a bright yellow circle, in almost the exact same canary shade, as the background, with a rectangular device across the circular device.

"1.7. On the bases of the foregoing, the Respondent-Applicant's mark ROCKETS SAUSAGES & BEYOND should be denied registration under Sec. 123.1 (d) of the Intellectual Property (IP) Code, 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.

"2. The marks JOHNNY ROCKETS and JOHNNY ROCKETS THE ORIGINAL HAMBURGER AND DESIGN, have become well-known marks internationally and in the Philippines.

“3. Finally, the adoption by Respondent-Applicant of the mark ROCKETTS SAUSAGES & BEYOND creates the same overall impression as Opposer’s mark JOHNNY ROCKETTS THE ORIGINAL HAMBURGER AND DESIGN, which clearly diminishes and dilutes the distinctiveness of Opposer’s mark and further militates against the registration of Respondent-Applicant.xxx”

The Opposer submitted as evidence the Authenticated Affidavit of Steven J. Devine⁴ dated 6 July 2011.

The Respondent-Applicant filed its Answer on 17 November 2011, alleging among other things, the following:

“8. Respondent-Applicant is part of a group of companies, which traces its beginnings in the retail food franchising company known as Foodaba Corporation. Respondent-applicant and related companies have been in the meat processing business for more than thirty (30) years. To augment the revenues of the group’s food and manufacturing business (currently known as Megafoods Processing and Distribution Corporation), the ROCKETTS brand was conceptualized in 2006 as a retail and food service brand for hotdogs and sausages. The business name was first registered with the Department of Trade and Industry (DTI) by Foodaba Corporation on October 9, 2006.xxx

Subsequently-Applicant’s store in shopwise, Bagumbayan, Quezon City, the business name ‘ROCKETTS SAUSAGES FASTFOOD’ was registered with the DTI by Foodaba Corporation on August 29, 2007.

In November 2007, Respondent-Applicant’s first store was formally opened in Shopwise Bagumbayan, Quezon City. This store is still operating to date. Respondent-Applicant’s first few stores and lease contracts were under the name Foodaba Corporation. They were eventually transferred in the name of the Respondent-Applicant when Rockets Sausages & Beyond Inc. was incorporated in February 28, 2008. xxx Currently, there are four (4) ‘ROCKETTS SAUSAGES & BEYOND’ stores. More company owned and franchised stores will be opened in the next few months.

“10. Respondent-Applicant’s ‘ROCKETTS SAUSAGES & BEYOND’ tradename/trademark was conceptualized in the following manner:

- a) The word ‘ROCKETTS’ connotes the cylindrical shape and the characteristic of being hot. Respondent-Applicant’s products, namely hotdogs and sausages are also cylindrical in shape and served hot.

⁴ Exhibit “A” with submarkings

b) The words 'AND (&) BEYOND' were added to emphasize Respondent-Applicant's variety of products as well as the many ways to serve and enjoy hotdogs and sausages. xxx

"11. Respondent-Applicant has been openly and continuously using the 'ROCKETS SAUSAGES & BEYOND' trade name/trademark for several years. It also maintains a website, www.rockets-sausages.com to promote its stores and products.

It has been continuously and uninterruptedly operating its 'ROCKETS SAUSAGES & BEYOND' stores in popular and known malls such as Shopwise Libis, Shopwise Commonwealth, Rustan's Makati and SM Supercenter Pasig.

"12. Respondent-Applicant's trademark 'ROCKETS SAUSAGES & BEYOND' is neither identical nor confusingly similar to Opposer's trademarks xxx

"15. Opposer failed to present/attach evidence that will prove prior use of its 'JOHNNY ROCKETS' mark in the Philippines. As a matter of fact Opposer admitted that its first 'JOHNNY ROCKETS' restaurant in the Philippines began operation only on September 25, 2009 or over two (2) years after the operations of Respondent-Applicant's store. Bare allegations without substantial proof cannot stand or uphold Opposer's claim.xxx"

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

1. Certification issued by the Department of Trade and Industry ("DTI") dated 14 September 2011;
2. Copy of Articles of Incorporation and By-laws of the Respondent-Applicant;
3. History of Rockets Sausages & Beyond;
4. Print-out of website www.rockets-sausages.com ;
5. Copies of lease contracts of stores of Respondent-Applicant;
6. Sample menus, receipts and store photographs;
7. Print-out of IPO website trademark database showing marks with the word "rockets"; and
8. Affidavit of Arrieta Royola dated dated 15 November 2011⁵

The Preliminary Conference was held on 28 May 2012 where both parties were directed to file their respective position papers. The Opposer and Respondent-Applicant submitted their position papers on 7 June 2012 and 15 June 2012, respectively.

⁵ Exhibits "1" to "12" with submarkings

Should the Respondent-Applicant be allowed to register the trademark "ROCKETS SAUSAGES & BEYOND"?

Records show that at the time Respondent-Applicant applied for registration of the mark "ROCKETS SAUSAGES & BEYOND" the Opposer already registered the mark "JOHNNY ROCKETS THE ORIGINAL HAMBURGER DESIGN" under Registration No. 4-2005-001720 dated 8 June 2006. The goods covered by the Opposer's trademark registration are also under Class 43 same as indicated in the Respondent-Applicant's trademark application.

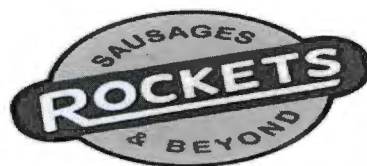
The question is: Are the competing marks identical or closely resembling each other such that confusion or mistake is likely to occur?

The competing marks are reproduced below:

Opposer's mark

Respondent-Applicant's mark

JOHNNY ROCKETS



While the marks are similar with respect to the word ("ROCKETS"), it is not sufficient to conclude that confusion among the consumers is likely to occur. "ROCKETS" is a common term which may be used as a trademark in an arbitrary sense. In *Philippine Refining Company v. Ng Sam*⁶, the Supreme Court elaborates on the definition of generic and descriptive terms, to wit:

The term "CAMIA" is descriptive of a whole genus of garden plants with fragrant white flowers. Some people call the "CAMIA" the "white ginger plant" because of its tuberous roots, while children refer to it as the butterfly flower because of its shape. Being a generic and common term, 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 each user is closely restricted

The words "JOHNNY" and "ORIGINAL HAMBURGER AND DESIGN" are not present in Respondent-Applicant's mark. On the other hand, Respondent-Applicant add the words "SAUSAGES & BEYOND", not present in Opposer's mark, to convey its product. Also, the visual elements used by the parties are different that confusion is unlikely.

More importantly, the Respondent-Applicant proved that it commenced operations of its business in the Philippines ahead of the Opposer. It submitted lease

⁶ GR. No. L-26676 July 30, 1982

contracts⁷, the earliest of which had a lease duration from 22 September 2009 to 30 September 2010, sample menus, receipts, and photographs⁸ to prove that it started its business wherein it used the mark, "ROCKETS SAUSAGES & BEYOND". Admittedly, Opposer began operations in the Philippines in 25 September 2009⁹ while the Respondent-Applicant as early as 19 October 2006, registered its "ROCKETS RESTAURANT" with the DTI. Rockets Sausages & Beyond, Inc. is also Respondent-Applicant's tradename. In line with this, the Supreme Court in Philips Export B.V. v. Court of Appeals¹⁰, has held:

As early as *Western Equipment and Supply Co. v. Reyes*, 51 Phil. 115 (1927), the Court declared that a corporation's right to use its corporate and trade name is a property right, a right *in rem*, which it may assert and protect against the world in the same manner as it may protect its tangible property, real or personal, against trespass or conversion. It is regarded, to a certain extent, as a property right and one which cannot be impaired or defeated by subsequent appropriation by another corporation in the same field (*Red Line Transportation Co. vs. Rural Transit Co.*, September 8, 1934, 20 Phil 549).

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2010-990170 is hereby **DISMISSED**. Let the filewrapper of the 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, 25 NOV 2016


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

⁷ Exhibit "7"

⁸ Exhibit "8"

⁹ Exhibit "A"- Affidavit of Steven Devine, par.4.2

¹⁰ G.R. No. 96161 February 21, 1992