

FUEL ESPRESSO LIMITED,
Opposer,

-versus-

ANTONIO B. DEUS,
Respondent- Applicant.

x-----x

IPC No. 14-2013-00389
Opposition to:
Appln. Serial No. 4-2012-014372
Date Filed: 26 November 2012
TM: "FUEL ESPRESSO"

NOTICE OF DECISION

BENZON NEGRE UNTALAN

Counsel for Opposer
Second Floor SEDCCO Bldg.,
Rada cor. Legaspi Streets
Legaspi Village, Makati City

ANTONIO B. DEUS

Respondent- Applicant
1025 MRR PNR
Barangka Itaas, Mandaluyong City

GREETINGS:

Please be informed that Decision No. 2016 - 480 dated December 21, 2016 (copy enclosed) was promulgated in the above entitled case.

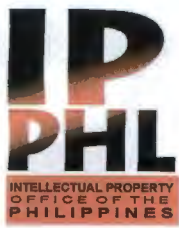
Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, December 21, 2016.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio,
Taguig City 1634 Philippines • www.ipophil.gov.ph
T: +632-2386300 • F: +632-5539480 • mail@ipophil.gov.ph



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IPC No. 14-2013-00389

Opposition to:

Appln. No. 4-2012-014372

Date Filed: 26 November 2012

Trademark: "FUEL ESPRESSO"

Decision No. 2016 - 480

DECISION

FUEL ESPRESSO LIMITED ("Opposer")¹, filed an opposition to Trademark Application Serial No. 4-2012-014372. The application, filed by ANTONIO B. DEUS ("Respondent-Applicant")², covers the mark "FUEL ESPRESSO" for use on "*coffee and artificial coffee, coffee-based beverages, coffee flavorings, cocoa pastries, confectionary and ices*" under class 30; "*non-alcoholic drinks, beverages, syrups and other preparations for making beverages*" under class 32; and "*services for providing food and drinks, restaurant services, snack bars, restaurants, cafes, cafeterias*" under class 43 of the International Classification of Goods.³

The Opposer alleges that the brand and mark FUEL ESPRESSO was originally created and adopted sometime in 1995 for Opposer's goods and services. It chose the word fuel together with the word espresso because "coffee is energy and energy = fuel. Its logo was first designed and adopted sometime in 1996 by Sanjay Ponnappa, and has not changed since then. The first FUEL ESPRESSO cafe was opened by Sanjay Ponnappa in Wellington, New Zealand. It is Wellington's first street espresso cart business. Presently, there are six FUEL ESPRESSO cafe outlets throughout Wellington including one at Wellington Airport. Opposer has also expanded its FUEL ESPRESSO cafes in Hong Kong and China.

Further, Opposer eventually incorporated under the laws of New Zealand on 23 January 1996, and decided that the mark would be used as part of its corporate name. Since then, Opposer has been engaged in the trading and sale of coffee products and operating cafe services under the marks FUEL and FUEL ESPRESSO. Opposer engaged in various advertisements and public relations through brochures, leaflets, flyers, newspaper advertisements and online presence in websites.

To protect its marks, Opposer filed for registration of the FUEL ESPRESSO word mark and device in New Zealand. It likewise registered in many foreign countries, including an application for registration in the Philippines.

¹ A company duly organized and existing under the laws of New Zealand, with office address at 10 Holland Street, Wellington, New Zealand.

² With address at 1025 MRR PNR, Barangka Itaas, Mandaluyong City.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on the 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 Purpose of the Registration of Marks concluded in 1957.

Opposer therefore alleges the following grounds for this instant opposition:

"The registration of the FUEL ESPRESSO trademark in favor of Respondent-Applicant is contrary to law and jurisprudence because he is not true originator and rightful owner of the said mark and design.

"I. Opposer is the first to adopt, use and register the well-known FUEL ESPRESSO trade name and trademarks. Thus, Opposer is the true originator and rightful owner of the FUEL ESPRESSO trademarks.

"II. Respondent-Applicant's application for registration of the proposed mark was obtained fraudulently and in bad faith inasmuch as Respondent-Applicant is not the true owner thereof and has no legal right to use the same.

"III. The FUEL ESPRESSO logo, is an original work protected by copyright and the use and registration of Respondent-Applicant's proposed mark is a infringement of Opposer's rights as the owner of the logo and the copyright over the same."

The Opposer's evidence consists of the following:

1. Print-outs from FUEL ESPRESSO's website on the Introduction, References, Design Features and Technical Specifications of Fuel Espresso Limited;
2. Original print-out from IPOPHL's website showing the details of the trademark application for FUEL EXPRESSO;
3. Original print-out from IPOPHL's e-Gazette for Trademarks showing details of the published application;
4. Intellectual Property of New Zealand - Case Details Report for the application of FUEL ESPRESSO;
5. List of FUEL ESPRESSO's food items;
6. Affidavit of Opposer's Global Strategist, Pravin Jeram;
7. Photograph of the directory at the ifc Mall showing location of FUEL ESPRESSO cafe;
8. Certificate of Incorporation showing the adoption of the trademark FUEL ESPRESSO;
9. Brochures, leaflets, flyers, newspaper advertisements and other marketing materials promoting the products bearing the FUEL ESPRESSO trademark;
10. Emails from interested parties to Opposer, inquiring the possibility of a franchise;
11. Original print-out of the schedule of Worldwide Trademark Applications and Registrations of the FUEL ESPRESSO trademarks in various countries;
12. Copies of the certificates of trademark registration for the FUEL ESPRESSO trademarks in various countries;
13. Original print-out from the IPOPHL's website showing the details of Trademark Application Nos. 4-2013-502539 and 4-2013-502540;
14. Copy of the extract from the Intellectual Property Office of New Zealand's database showing cancellation of the mark ROCKET FUEL; and,
15. Copy of the cease and desist letter sent by undersigned to Respondent-Applicant;
16. FEUL ESPRESSO trademarks printed in Opposer's products such as cups, glasses, shirts, coffee bean packaging, business cards, trip or complimentary cards,



This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 11 December 2013. Respondent-Applicant however, did not file an answer. Thus, he is declared in default and this case is deemed submitted for decision⁴.

Should the Respondent-Applicant be allowed to register the trademark FUEL ESPRESSO?

It is emphasized that 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 out into the market a superior 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.⁵

Sec. 123.1 (d) of the IP Code provides:

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 the Opposer is the owner of the registered trademarks FUEL and FUEL ESPRESSO in foreign countries such as in New Zealand⁶, Australia, China, OHIM, Hong Kong, Korea and Singapore.⁷ It also presented the schedule of trademark applications and registrations for its marks FUEL and FUEL ESPRESSO in some other jurisdictions⁸. In the Philippines, the Opposer filed for an application for registration of FUEL ESPRESSO mark on 06 September 2013⁹. The applied marks ripened into registration on 11 August 2011¹⁰. Under the law, a certificate of registration constitutes a prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.¹¹

On the other hand, the Respondent-Applicant filed its application for the registration of the mark FUEL ESPRESSO on 26 November 2012¹².

The competing marks are hereby reproduced for comparison:

⁴ Order No. 2014-727 dated 30 May 2014.

⁵ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).

⁶ Exhibit "F" of Opposer.

⁷ Exhibit "H" of Opposer.

⁸ Exhibit "I" of Opposer.

⁹ IPPhil Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 20 December 2016).

¹⁰ Id.

¹¹ Sec. 138, IP Code.

¹² File wrapper records.



FUEL ESPRESSO

Opposer's Trademarks



Respondent-Applicant's Trademark

Obviously, the contending marks are identical in all aspects. Moreover, they are used on goods that are similar or closely related to each other, and which cater to same cluster of purchasers and flow on the same channels of trade, particularly class 43. The other classes of goods such as 30 and 32 are deemed related to the registered class 43 because the goods and/or service complement each other. Classes 30 and 32, which are food and beverages are those offered in the coffee shops or restaurant of the parties. Thus, it is likely that the consumers will have the impression that these goods or products originate from a single source or origin. The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:¹³

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily 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. Hence, 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 which, in fact does not exist.

The public interest, therefore, requires that the two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. As such, considering the probable purchaser's attitude and habits, marketing activities, and commercial impression, there is a high likelihood that the trademarks of the Opposer and the Respondent-Applicant pertain to related fields of manufacture, distribution and marketing under similar conditions. Both are likely to be conveyed and move in the same channels of trade. Thus, the goods of the Opposer and the Respondent-Applicant are of a character which purchasers would be likely to attribute to a common origin. Thus, to allow the registration of the Respondent-Applicant is to cause confusion to the public of the presence of identical marks on goods and/or service that are covered by Opposer's mark or goods closely related thereto.

¹³ Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.

A handwritten signature in blue ink, appearing to read "just".

In this instant case, the Opposer proved that it is the prior user and owner of the mark FUEL ESPRESSO. It has shown various foreign registrations of its mark as early as in the year 1997¹⁴. Moreover, it has substantial record of its company and product profiles¹⁵, print advertisements¹⁶ and business opportunities in the Philippines¹⁷.

In contrast, the Respondent-Applicant despite the opportunity given, failed to explain how it arrived at using the mark FUEL ESPRESSO. The Opposer's marks FUEL and FUEL ESPRESSO are unique and highly distinctive with respect to the goods or service it is attached with. It is incredible for the Respondent-Applicant to have come up with the same mark by pure coincidence.

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 million of terms and combination of letters and designs available, the Respondent-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.¹⁸

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. 4-2012-014372 is hereby **SUSTAINED**. Let the file wrapper 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. **21 DEC 2016**



Atty. GINALYN S. BADIOLA, LL.M.
Adjudication Officer, Bureau of Legal Affairs

¹⁴ Exhibit "F" of Opposer.

¹⁵ Exhibits "A", "C", "M" to "S" of Opposer.

¹⁶ Exhibits "D" and "E" of Opposer.

¹⁷ Exhibits "T" of Opposer.

¹⁸ American Wire & Cable Company v. Director of Patents, G.R. No. L-26557, 18 February 1970.