

**MA. SALVACION D. SALUDO (Assignee of
SALUDO ICE PLANT & COLD, STORAGE CORP.,**
Opposer,

-versus-

TENSHI PRODUCTS, INC.,
Respondent-Applicant.

X-----X

IPC No. 14-2009-00078

Opposition to:
Appln. Serial No. 4-2008-004754
Date Filed: 23 April 2008

TM: FROSTEE AND DEVICE

NOTICE OF DECISION

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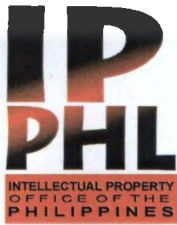
GREETINGS:

Please be informed that Decision No. 2016 - 535 dated 23 December 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, 06 January 2017.

MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



MA. SALVACION D. SALUDO
(Assignee of SALUDO ICE PLANT
& COLD, STORAGE
CORPORATION,

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IPC NO. 14 – 2009-00078

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TM: “FROSTEE AND
DEVICE”

- versus -

TENSHI PRODUCTS, INC.,
Respondent-Applicant.

DECISION NO. 2016 - 535

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DECISION

MA. SALVACION D. SALUDO (Opposer),¹ filed a Verified Notice of Opposition to Trademark Application No. 4-2008-004754 on 12 March 2009. The subject Trademark Application filed by TENSHI PRODUCTS, INC., (Respondent-Applicant)² covers the mark “FROSTEE AND DEVICE” for “ice candy” under Class 30 of the International Classification of Goods.³

The pertinent allegations in the Verified Notice of Opposition are quoted as follows:

2. Opposer is the owner of the mark “FROSTY KID FROZEN DELIGHTS (label mark in colour)” having used, registered and popularized the same in the Philippines. Opposer’s registration of the said mark has been granted per Certificate of Registration No. 4-2006-008226, issued on May 5, 2008.

3. Opposer has been using it mark for 2 years now, having first used and adopted the same as early as 2006. Opposer has first used the mark “FROSTY KID FROZEN DELIGHTS (label mark in colour)” on August 2006.

¹ Assignee of SALUDO ICE PLANT & COLD STORAGE CORPORATION with business address at. Magsaysay, Ichon, Macrohon, Sothern Leyte.

² A corporation with business address at 822 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 International Classification of Goods and Services for Registration of Marks concluded in 1957.

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4. Clearly, Opposer is the rightful owner of the mark "FROSTY KID FROZEN DELIGHTS (label mark in colour)" having used, adopted, applied and registered the same in the Philippines which is much earlier than Respondent.

5. Opposer has developed goodwill and reputation for its mark "FROSTY KID FROZEN DELIGHTS (label mark in colour)" through extensive promotion, worldwide registration and use.

6. From the foregoing, it is apparent that Opposer's mark satisfies the criteria set by the Rules and Regulations Implementing RA 8293 to be considered as a well-known mark entitled to protection under sec 123 (e) and (f) of R.A. 8293.

7. In presentation, general appearance and pronunciation, Respondent-Applicant's mark "FROSTEE AND DEVICE" and Opposer's "FROSTY KID FROZEN DELIGHTS (label mark in colour)" are confusingly similar, and hence, will cause confusion among their prospective market, considering that the goods are similar or related belonging in the same class and sold in the same channels.

8. Considering the above circumstances, registration is proscribed by R.A. 8293 Section 123 (d).

9. If allowed contrary to existing laws and jurisprudence, Respondent's use of the mark FROSTEE AND DEVICE, which is confusingly similar to Opposer's mark "FROSTY KID FROZEN DELIGHTS (label mark in colour)", will indicate a connection between the latter's goods and those of Respondent's, and will likely mislead the buying public into believing that the goods of Respondent's are produced or originated from, or are under the sponsorship of Opposer, to the detriment and damage of Opposer's interests, considering the goods are the same and belong to the same class. Likewise the use of Respondent of the mark FROSTEE AND DEVICE will diminish or demean or dilute the superior quality image and reputation of Opposer's mark and products characterized by high standards which Opposer has carefully built through its long use.

10. Opposer hereby alleges that the Respondent-Applicant's adoption of FROSTEE AND DEVICE trademark which is confusingly similar to that of Opposer's "FROSTY KID FROZEN DELIGHTS (label mark in colour)" was clearly done with the illegal intent of riding on the popularity and goodwill of Opposer's quality-built reputation and will cause great and irreparable damage and injury to the Opposer.

11. Further, Respondent-Applicant is clearly in bad faith in so using and adopting the same trademark as that of Opposer's "FROSTY KID FROZEN DELIGHTS (label mark in color)" which Opposer has, because of its prior use and application, gained worldwide notoriety for said mark.

In support of its Opposition, the Opposer submitted the following:

1. Exhibit "A" – Verified Notice of Opposition;
2. Exhibit "B" – Affidavit Testimony of Ms. Ma. Salvacion D. Saludo;
3. Exhibit "C" – Certified True Copy of Certificate of Registration

No. 4-2006-008226;

4. Exhibit "D" to "D-15" – Copies of the Sales Invoices of the Opposer for the year 2007 to 2008;
5. Exhibit "E" to "E-2" – Copies of the product labels and posters of the Opposer;
6. Exhibit "F" – Independent Auditor's Report and Financial Statements for 2007 of the Opposer;
7. Exhibit "G" – 2006 Financial Statements of the Opposer; and
8. Exhibit "H" – Special Power of Attorney.

This Bureau issued a Notice to Answer on 30 March 2009 and received by Respondent-Applicant on 3 April 2009. On 29 May 2009, the Respondent-Applicant filed its Verified Answer.

The pertinent portions of the Respondent-Applicant's Answer are as follows:

1. Respondent-Applicant is the assignee of the trademark "FROSTEE AND DEVICE" and the trademark application for said mark from Akebono Manufacturing Company, Inc.;

2. The Verified Notice of Opposition filed by Ma. Salvacion D. Saludo, assignee of Saludo Ice Plant & Cold Storage Corporation, has no factual and legal basis and contains inaccurate and untruthful statements and allegations and erroneous conclusions:

a.) Opposer' claim of prior use and filing is contested and disproved by official documents and records.

(i) Opposer claims first use of its mark in August 2006

(ii) The mark "FROSTEE AND DEVICE" was registered as copyright on 24 March 1980; it was earlier filed with the Intellectual Property Office on 13 October 1978, refiled on 13 October 1980 and 23 April 2008. The mark was issued Certificate of Product Registration by the Bureau of Food and Drugs Administration on 19 May 1995; letters to the Bureau of Internal Revenue on 24 January 1986 and Home Development Mutual Fund on 25 June 2001 and 30 May 2002 also show earlier use of the mark.

(iii) Available sales invoices show that FROSTEE Ice Candy products has been marketed in Ilocos Sur, Dagupan City, Bulacan, Pampanga, Caloocan City, Quezon City, Cavite, Cebu and Davao City in 2003 to 2008. Earlier sales invoices have been disposed of and or not available.

b.) "FROSTEE AND DEVICE" is not the same nor identical, nor does it resemble, nor is it confusingly similar, and is clearly different in general appearance, presentation and even pronunciation from Opposer's "FROSTY KID FROZEN DELIGHTS": since been associated/identified with said products produced and marketed in commerce in the Philippines by assignor/assignee.

c.) AKEBONO MANUFACTURING COMPANY, INC. and assignee TENSHI PRODUCTS, INC. cannot be guilty of "infringement of Opposer's trademark" for "bad faith" or illegal intent of riding on the popularity and goodwill of Opposer's quality-built reputation" or that "respondent applicant is under the sponsorship of Opposer or is a subsidiary of the latter" because the use of the mark "FROSTEE AND DEVICE", as early as 1978, long preceded Opposer's use of its "FROSTY KID FROZEN DELIGHTS" beginning only in 2006 and "FROSTEE AND DEVICE" had earlier established its own reputation, popularity and goodwill for its superior quality ice candy products.

3. There is no way that buying public will be mistaken or misled into believing that the goods of respondent-applicant are produced or originated from Opposer or vice-versa. Both goods or products prominently but differently display/show the producer/manufacturer, different names, addresses and telephone numbers

The Respondent-Applicant's evidence consist of the following:

1. Exhibit "1" – Affidavit of Ms. Judy E. Syjuco
2. Exhibit "2" – Copy of the Pending Application of the Respondent-Applicant;
3. Exhibit "3" – Copy of the Application for Registration of Akebono Mfg Co., Inc. dated 3 August 1982;
4. Exhibit "4" – Copy of the Statement of Account of the filing fee for the Trademark Application;
5. Exhibit "5" – Copy of Certificate of Copyright Registration from National Library dated 24 March 1980;
6. Exhibit "6" – Copy of Certificate of Product Registration for FROSTEE ICE CANDY90/TUBE KING SIZE from the Bureau of Food and Drugs dated 19 May 1995;
7. Exhibit "7" – Copy of Certificate of Product Registration for FROSTEE TWINTIPS ICE CANDY KING SIZE from the Bureau of Food and Drugs dated 19 May 1995;
8. Exhibit "8" – Copy of Certificate of Product Registration for FROSTEE SLIMS ICE CANDY from the Bureau of Food and Drugs dated 19 May 1995;
9. Exhibit "9" – Copy of letter for renewal of the registration addressed to Food and Drugs Administration dated 19 May 1997;
10. Exhibit "10" – Copy of letter addressed to Bureau of Internal Revenue dated 24 January 1986;
11. Exhibit "11" – Copy of product inventory dated 31 December 1985;
12. Exhibit "12" – Copy of product inventory dated 31 December 1996;
13. Exhibit "13" – Copy of product inventory dated 31 December 1999;
14. Exhibit "14" – Copy of letter addressed to Home Development

- Mutual Fund dated 25 June 2001;
15. Exhibit "15" – Copy of letter addressed to Home Development Mutual Fund dated 30 May 2002;
16. Exhibit "16" to "16j" – Copy of Sales of the Respondent-Applicant sales invoices for the year 2003 to 2008;

The Preliminary Conference was conducted and terminated on 11 August 2009. The parties then filed their respective Position Papers. Consequently, this case was submitted for decision.

The issue to be resolved in the instant case is whether Respondent-Applicant's trademark "FROSTEE and DEVICE" should be allowed for registration.

The Opposition is anchored on Section 123.1 par. (d) of Republic Act No. 8293, also known as, the Intellectual Property Code of the Philippines ("IP Code"), to wit ,

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;

The Opposer avers that: there is confusing similarity between Opposer 's mark, "FROSTY KID FROZEN DELIGHTS" (label mark in color) and the Respondent's mark "FROSTEE and DEVICE"; the trademark registration of the Opposer entitles it to protection against colorable imitation of its mark by the Respondent-Applicant of its mark; and allowing registration of Respondent's mark would unduly prejudice Opposer's right over its trademark.

On its part, the Respondent-Applicant argues that: it had earlier and prior use of its mark; its mark is not the same, nor identical, nor confusingly similar to Opposer's mark; Respondent-Applicant is not riding on the popularity of Opposer's mark; and the buying public will not be misled nor confused with the marks.

The competing marks are reproduced below for comparison:



Opposer Trademark



Respondent-Applicant
Trademark

Upon examination of the two competing trademarks, this Bureau finds that the marks are not confusingly similar and the registration by the Respondent-Applicant of the mark "FROSTEE AND DEVICE" is unlikely to cause confusion or indicate any connection between the respondent-applicant's goods and that of the Opposer's.

Evident from the two contending trademarks as shown above are the differences in their visual and phonetic composition. At the outset, the labeling wordmarks of the competing parties are very much different and distinct from each other. The Opposer's wordmark is composed of four (4) words, "Frosty Kid Frozen Delight," while that of the Respondent-Applicant is one word, "Froste." The lettering style and arrangement are not similar. Also, the illustrations accompanying the wordmarks are different. The Opposer has a popsicle like caricature of a kid, while the Respondent-Applicant has a polar bear representation on its mark. Based on their distinct characteristics, an ordinary consumer can very much distinguish one over the other.

Moreover, even if this Bureau agree with the contention of the Opposer that the dominant feature of its mark is only the first word "Frosty," the Opposer would still not have an exclusive right over the said word. The word "frosty" is considered descriptive with reference to the Opposer's frozen products and cannot be exclusively appropriated by the Opposer. In addition, the "Frosty" in the Opposer's mark did not have any secondary meaning with reference to its frozen products.

In our jurisdiction, 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 The mark


⁴ Gabriel v. Perez, 55 SCRA 406, 417 [1974] citing 52 Am Jur, p. 508; Etepha v. Director of Patents, 16 SCRA 495, 497 [1966]; see also Phil. Refining Co., Inc. v. Ng Sam, 115 SCRA 472, 476-477 [1982]; also cited in Agpalo, Trademark Law and Practice in the Philippines, p. 5 [1990]

applied for registration by the Respondent-Applicant satisfies this function.

WHEREFORE, premises considered, the instant Opposition to Trademark Application Serial No. 42008004754 is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 42008004754 be returned together with a copy of this Decision to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 23 DEC 2016


Atty. Leonardo Oliver Limbo
Adjudication Officer
Bureau of Legal Affairs