

FICOSOTA OOD,
Opposer,

-versus-

LODIS INVEST LTD.,
Respondent-Applicant.

X-----X

}	IPC No. 14-2016-00206
}	Opposition to:
}	
}	Appln. Serial No. 4-2015-506296
}	Date Filed: 03 November 2015
}	
}	TM: BULGAREA

NOTICE OF DECISION

BENGZON NEGRE UNTALAN
Counsel for Opposer
2nd Floor, SEDCCO Building,
120 Rada Street, Makati City 1229


**ROMULO MABANTA BUENAVENTURA SAYOC
& DE LOS ANGELES**
Counsel for Respondent- Applicant
21st Floor, Philamlife Tower,
8767 Paseo de Roxas, Makati City

GREETINGS:

Please be informed that Decision No. 2017 - 154 dated 03 May 2017 (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, 04 May 2017.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

FICOSOTA OOD,
Opposer,

- versus -

LODIS INVEST LTD.,
Respondent-Applicant.
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IPC No. 14-2016-00206
Opposition to:

Appln. No. 4-2015-506296
Date Filed: 03 November 2015
Trademark: "**BULGAREA**"

Decision No. 2017 - 154

DECISION

FICOSOTA OOD ("Opposer"),¹ filed an opposition to Trademark Application Serial No. 4-2015-506296. The application, filed by LODIS INVEST LTD. ("Respondent-Applicant"),² covers the mark "BULGAREA" for use on the following goods: *"aerated beverages (predominantly of milk); aerated drinks (predominantly of milk); beverages consisting principally of milk; beverages having a milk base; beverages made from milk; beverages made from yoghurt; beverages made with yoghurt; beverages with a milk base; butter; butter cheeses; butter preparations; butter cream; buttermilk; buttermilk products; by-products of milk; cheese; cheese products; cream cheese; cream products; cream, being dairy products; creams (edible); dairy products; dairy-based beverages; drinking yoghurts; drinks based on yoghurt; drinks based predominantly on milk; drinks made from dairy products; drinks made wholly or principally with milk; edible cream; flavoured milk; flavoured milk beverages; flavoured milk drinks; flavoured yoghurts; food made principally from milk; food preparations consisting wholly or substantially wholly of milk; food preparation having a base of milk; food products containing (principally) yoghurt; foods made from milk products; foods prepared from milk; fresh cheese; goat milk; goat's milk; preparations for making beverages (milk based); preparations for making milk beverages; preparations for making yoghurt; preparations for use in creaming beverages (dairy based); preparations made from milk; preparations made from yoghurt, prepared foods consisting principally of cheese; prepared meals made principally of cheese; processed cheese, processed cheese products; products based on milk; products made wholly or principally of milk; sheep cheese; sheep milk; yoghurt; yoghurt based drinks; yoghurt beverages; yoghurt drinks; yoghurt for drinking; yoghurt made from goats milk; yoghurt preparations; yoghurt products; yoghurts"* under class 29 of the International Classification of Goods and Services.³

¹ A limited liability company duly organized and existing under and by virtue of the laws of Bulgaria with business address at Boulevard Madara 48, Shumen, BG-27 9700, Bulgaria.

² With registered address at 12 Mihail Tenev Str., Floor 4, Office 12, Postal Code 1784 Sofia, Bulgaria.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks, which was concluded in 1957 and administered by the World Intellectual Property Organization.

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The Opposer alleges that it is the owner-registrant of the international trademark BULGAREA AUTHENTICA for classes 16 and 29. It is also the owner-registrant of the international trademark BOLGAREA AUTHENTICA for the same classes of goods. The mark BULGAREA being applied for by the Respondent-Applicant is identical to Opposer's trademark consisting of the dominant word BULGAREA. The goods covered by Respondent-Applicant's mark BULGAREA are identical and closely related to the goods covered by Opposer's mark BULGAREA AUTHENTICA such that Respondent-Applicant's use of its mark will most likely cause confusion in the minds of the public. This will result to damage to the public and to Opposer's business and goodwill over its products bearing the mark BULGAREA AUTHENTICA. Opposer likewise avers that its internationally registered mark is a well-known trademark, as it qualifies under the criteria enumerated in the Rules and Regulations Implementing the Intellectual Property Code. Finally, the Opposer claims that Respondent-Applicant obviously intends to pass off its goods as those of Opposer's goods since there is no reasonable explanation for Respondent-Applicant to use the mark BULGAREA when the field for its selection is so broad.

The Opposer's evidence consists of the following:

1. Original and Authenticated Power of Attorney and Certification issued by Respondent-Applicant;
2. Affidavit of Krasen Angelov Kyurkchiev;
3. Various TV advertisements in CD referring to BULGAREA White Cheese, Yellow Cheese BULGAREA, and BULGAREA Yoghurt;
4. English translation of advertisements;
5. Photographs from BULGAREA AUTHENTICA's degustation campaigns;
6. Certificates of Registration for Opposer's marks BULGAREA AUTHENTICA and BOLGAREA AUTHENTICA;
7. Copy of International Registration for BULGAREA AUTHENTICA and BOLGAREA AUTHENTICA;
8. Samples of invoices and corresponding translations;
9. Website print-outs on the use of the term BULGAREA; and,
10. Various advertising and promotional materials of BULGAREA AUTHENTICA;

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 26 July 2016. However, Respondent-Applicant did not file an answer. Respondent-Applicant is therefore declared in default and this case is deemed submitted for decision.⁴

Should the Respondent-Applicant be allowed to register the trademark BULGAREA?

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

⁴ Order of Default dated 12 January 2017.



protect the manufacturer against substitution and sale of an inferior and different article as his product.⁵

Sec. 123.1 (d) of the Intellectual Property Code⁶ ("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;

The following marks are hereby reproduced for comparison:

**BULGAREA
AUTHENTICA**

BULGAREA

**BOLGAREA
AUTHENTICA**

Opposer's Trademarks

Respondent-Applicant's Trademark

The competing marks contain the identical word BULGAREA and BOLGAREA, with letter "O" instead of "U", without any device or logo. Obviously, the visual and aural appearance are the same. It is sufficient to cause likelihood of confusion to the public.

Moreover, the aforementioned marks are used on goods that are similar or closely related to each other, which flow on the same channels of trade, particularly that falling under Class 29 for dairy products and the like. 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:⁷

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 R.A. No. 8293.

⁷ Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.

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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. It is emphasized that the function of 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.⁸

It is stressed that the Philippines implemented the TRIPS Agreement when the IP Code took into force and effect on 01 January 1998. Art. 15 of the TRIPS Agreement reads:

Section 2: Trademarks
Article 15
Protectable Subject Matter

1. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words, including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration of trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, members may make registrability depend on distinctiveness acquired through use. Member may require, as a condition of registration, that signs be visually perceptible.
2. Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provision of the Paris Convention (1967).
3. Members may make registrability depend on use. However, actual use of a trademark shall not be a condition for filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of three years from the date of application.

⁸ Pribhdas J.Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.

