

MCDONALD'S CORPORATION, INC.,
Opposer,

-versus-

TING FAI YOUNG,
Respondent- Applicant.

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IPC No. 14-2012-00413
Opposition to:
Appln. Serial No. 4-2012-003029
Date Filed: 09 March 2012
TM: MCMASTER

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NOTICE OF DECISION

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Respondent-Applicant
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GREETINGS:

Please be informed that Decision No. 2017 - 112 dated April 11, 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, April 17, 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs

**MCDOALD'S CORPORATION,
INC.,**

Opposer,

-versus

TING FAI YOUNG,

Respondent-Applicant.

} **IPC NO. 14- 2012-00413**

} Opposition to:

} Application No. 4-2012-003029

} Date filed : 9 March 2012

} Trademark: **MCMASTER**

} Decision No. 2017- 112

DECISION

McDonald's Corporation,¹ ("Opposer") filed a Verified Opposition to Trademark Application Serial No.4-2012-003029. The application, filed by Ting Fai Young,² ("Respondent-Applicant") covers the mark "MC MASTER" for use on "*coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; candies, bubble gums,*" and "*beers; mineral and aerated water and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages,*" under Classes 30 and 32, respectively, of the International Classification of Goods and Services.³

The Opposer alleges that: McDonald's Corporation or a subsidiary ("McDonald's") is the registered owner and exclusive proprietor of the "Mc" and "Mac" trademark as well as other trademarks which use Mc and Mac as a prefix or suffix, in the United States of America (USA) and other countries around the world, including the Philippines. McDonald's has registered, used, and promoted its internationally well-known family of marks, such as "HAPPY MEAL," "Big Mac," "McDonald's," "McDo," "Mac Fries," "Chicken McNuggets," "Egg McMuffin," "McSaver's," "McFlurry," "McCafe," "McDip," "McMuffin," "McChicken," "Burger McDo," and "McSpaghetti," for various foods, beverages, and restaurant services under Classes 28, 29, 30, 32, 42, and 43. To date, there are 188 countries and territories where McDonald's has ownership of and registered and/or has applied for registration in its name the trademarks that include the element Mc and Mac and those which use the Mc and Mac prefix or suffix. Therefore, the Opposer's marks are

¹ A corporation duly organized and existing under the laws of Delaware, U.S.A., with office address at One McDonald's Plaza, Oak Brook, Illinois, U.S.A.

² With address at #40 Basilio St., Acacia, Malabon City, Philippines.

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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internationally known marks within the meaning of the Paris Convention for the Protection of Industrial Property (Paris Convention),⁴ the Republic Act No. 8293 (R.A. 8293),⁵ and the Rules and Regulations on Trademarks, Service Marks, Trade names, and Marked or Stamped Containers (Trademark Rules and Regulations).

Opposer claims that it has practiced and developed a method of combining its Mc and Mac marks with a word descriptive of the goods or services which bear the marks. Having been registered, used, and promoted by McDonald's around the world, these marks, as well as such method of McDonald's in combining the Mc or Mac marks followed by a descriptive word relating to foods and beverage, are identified by the public as belonging exclusively to McDonald's. In the Philippines, McDonald's is the owner and proprietor of marks registered under different classes and used for food, drinks, and restaurant services. In particular, McDonald's exclusively owns and uses several marks wherein the Mc and Mac prefix or suffix is combined with or forms part of the marks registered. These trademarks have been used by Opposer in various commercials, advertisements, and other forms of promotional materials for McDonald's products over the years. With McDonald's stores being in operation in the Philippines since 1981, the Filipino public's exposure to the various trademarks owned by McDonald's, including the McDonald's Mc and Mac family of marks, has been ongoing for more than three (3) decades.

Opposer asserts the following:

- 1) Opposer's trademarks using "Mc" and "Mac" prefix or suffix ("family of marks") are internationally known marks registered in the Philippines;
- 2) Respondent-Applicant's "MC MASTER" mark cannot be registered because it is confusingly similar to Opposer's internationally known family of marks incorporating Mc and Mac marks that are registered in the Philippines;
- 3) The registration and/use of MC MASTER mark will likely result in confusion of goods and/or business to the detriment and damage of Opposer;
- 4) Respondent-Applicant is merely riding on the established goodwill of Opposer, thereby causing damages to Opposer; and
- 5) Being the registered owner of the internationally known Mc and Mac family of marks registered in the Philippines, the Opposer has the right to prevent the use and/or registration of confusingly similar marks for any goods or services, whether or not such goods or services are similar to those in respect of which the mark is registered.

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

1. "MC/MAC Prefix Worldwide" Report,
2. Certified true copies of Certificate of Registrations of different McDonald's marks in other territories;

⁴Article 6bis of the Paris Convention. Ratified on 14 April 1980.

⁵Otherwise known as the Intellectual Property Code. Took effect on 1 January 1998.

3. Certificate of Trademark Registration of Opposer's marks in the Philippines;
4. Copies of sample promotions of McDonald's products/merchandise bearing Mc or Mac as prefix or suffix
5. Certified true copies of sample decisions favorable to Opposer issued by the Bureau of Legal Affairs;
6. Copies of decisions favourable to the Opposer in other jurisdictions; and
7. Notarized, and authenticated Affidavit of Ms. Sheila Lehr dated 25 October 2012⁶

This Bureau served a Notice to Answer to Respondent-Application 10 December 2012. However, he failed to file an answer. Thus, the Hearing Officer issued on 14 August 2013, Order No. 2013-1125 declaring the Respondent-Applicant in default.

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

The records show that at the time Respondent-Applicant applied for registration of the mark "MACMASTER" on 9 March 2012 for goods under Class 30 and 32, the Opposer already have existing registrations for the Mc/MAC marks⁷, earliest of which under Reg. No. 034193⁸ issued on 20 March 1985 for goods under Classes 30, namely: "ready to eat hamburger, cheeseburger, sandwiches, French fried potatoes, hot coffee, fresh milk, and milk shakes". The goods indicated in the Respondent-Applicant's trademark application are, therefore, similar and/or closely related, if not exactly identical to those covered by the Opposer's trademark registration.

The competing marks are reproduced below:

Opposer's mark

Respondent-Applicant's mark

McDONALD'S



Scrutinizing the composition of the trademarks involved in this case, it is observed that both marks, use the suffix "Mc", followed by the words DONALD'S and MASTER. The marks are both used on goods under class 30 and 32.

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 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

⁶ Exhibits "A" to "V"

⁷ Exhibits "C" to "R"

⁸ Exhibit "E"

Handwritten signature or initials in blue ink.

protect the manufacturer against substitution and sale of an inferior and different article as his product.⁹

The Supreme Court in McDonald's Corporation v L.C. Big Mak Inc.,¹⁰ had previously ruled that MAC/MC constitute the dominant portion of the mark "McDonalds", to wit:

the test of dominancy is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code which defines infringement as *the "colorable imitation of a registered mark xxx or a dominant feature thereof."*

Applying the dominancy test, the Court finds that respondents' use of the "Big Mak" mark results in likelihood of confusion. First, "Big Mak" sounds *exactly* the same as "Big Mac." Second, the first word in "Big Mak" is *exactly* the same as the first word in "Big Mac." Third, the first two letters in "Mak" are the same as the first two letters in "Mac." Fourth, the last letter in "Mak" while a "k" sounds the same as "c" when the word "Mak" is pronounced. Fifth, in Filipino, the letter "k" replaces "c" in spelling, thus "Caloocan" is spelled "Kalookan."

In short, aurally the two marks are the same, with the first word of *both* marks phonetically the same, and the second word of *both* marks also phonetically the same. Visually, the two marks have *both* two words and six letters, with the first word of *both* marks having the same letters and the second word having the same first two letters. In spelling, considering the Filipino language, even the last letters of *both* marks are the same.

Clearly, respondents have adopted in "Big Mak" not only the dominant but also almost all the features of "Big Mac." Applied to the same food product of hamburgers, the two marks will likely result in confusion in the public mind

Preceding therefrom, it is observed that the subject "MC MASTER" trademark contains the prefix "Mc" followed by "Master." The use of Respondent-Applicant of the MC MASTER mark will cause confusion, mistake, and deception in the mind of the purchasing public such that consumers may be misled to believe that Respondent-Applicant's products originated from, manufactured or sponsored by Opposer.

In the instant case, it can be observed that Respondent-Applicant's MC MASTER mark contains the word "MC," a distinct feature also present in Opposer's family of marks. The term "Mc" is not a word commonly used as the name description of a kind of goods. It is neither a generic nor a descriptive term. Rather it is a suggestive term brought about by the advertising of Opposer. Through Opposer's efforts of promoting its products bearing the "Mc" or "Mac" as prefix or suffix, the term "Mc" became associated to and subtly connoted products which originate from McDonald's. It is the prefix "Mc," an abbreviation of "Mac," which visually and aurally catches the attention of the consuming public. Verily, the word "MC MASTER" attracts attention as if the same is sponsored by McDonald's.¹¹

⁹*Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999.

¹⁰ G.R. No. 143993, August 18, 2004

¹¹*McDonald's Corporation v. MacJoyFastfood Corporation*, 514 SCRA 95 (2007).

Consequently, this Bureau is constrained to deny the registration of Respondent-Applicant's MC MASTER mark for being confusingly similar to Opposer's family marks.

WHEREFORE, premises considered, the instant Opposition to Trademark Application Serial No. 4-2012-003029 is hereby **SUSTAINED**. Let the filewrapper of the subject application be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 11 APR 2017.



ATTY. ADORACION U. ZARE, LL.M.

Adjudication Officer

Bureau of Legal Affairs