

SUBAFILMS LIMITED,
Opposer,

-versus-

BON FIDE (PTE.) LTD.,
Respondent-Applicant.

X-----X

IPC No. 14-2014-00187
Opposition to:
Appln. Serial No. 4-2014-500536
Date Filed: 10 February 2014



NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 254 dated 28 June 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHEL 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, 29 June 2017.



Marilyn F. Retual
MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs

SUBAFILMS LIMITED, } **IPC NO. 14-2015-00187**
Opposer, } Opposition to :
 } Application No. 14-2014-500536
 } Filing date: 10 February 2014
-versus- }
 } Trademark: 
 }
BON FIDE (PTE.) LTD., }
Respondent-Applicant. }
x-----x } Decision No. 2017 -254

DECISION

SUBAFILMS LIMITED. (Opposer)¹ filed an opposition to Trademark Application Serial No. 14-2014-500536. The application, filed by BON FIDE (PTE.) LTD., (Respondent-Applicant)², covers the mark “YELLOW SUBMARINES”, for use on “Restaurant services for the provision of fast food; preparation of food and drinks, takeaway food and drink services, services for providing food and drink, cafeterias, cafes, restaurants, bistro services, catering services, banqueting services, coffee shop services, tea room services, snack bars, canteens, cocktail lounge services, wine bars, rental of food service apparatus, information advisory and consultancy services relating to the aforesaid services, all included in class 43” under Class 43 of the International Classification of Goods³.

The Opposer invokes the following legal grounds for its opposition:

“1. The mark ‘YELLOW SUBMARINES’  which RESPONDENT seeks to register is confusingly similar with Opposer’s mark ‘YELLOW SUBMARINE’ 

“2. RESPONDENT’S mark when applied to or used In connection with the services covered by the application under opposition, will cause confusion, mistake and deception on the part of the purchasing public.

“3. OPPOSER has adopted and continuously used the trademark in actual trade and international commerce for a long period of time, had

¹ A corporation duly organized and existing under the laws of the United Kingdom with address at 27 Ovington Square, London, SWS 1LJ, England
² A corporation organized and existing under Singapore laws with address at 17 Eden Grove, Singapore, 53907
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.

acquired goodwill and international consumer recognition and the trademark is considered well-known.

“4. The registration of RESPONDENT’s trademark will violate section 123.1 (d) and (e) of Republic Act 8293.

Registrability. A mark cannot be registered if it:

(d) is identical to 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.

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark with which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

“5. The registration of RESPONDENT’s mark contravenes the provisions of Article 6bis of the Paris Convention on the Protection of Industrial Property and the TRIPS agreement of the protection of well-known marks. xxx

“7. OPPOSER has invested a huge amount of resources in the promotion of the trademark as a result of which said mark has gained international popularity and repute.

“8. OPPOSER’s mark is distinctive. The registration of RESPONDENT’s trademark will violate OPPOSER’s rights and interests in the trademark and will cause dilution and loss of distinctiveness.

“9. The registration of RESPONDENT’s mark will go against the pronouncements and decisions of the Supreme Court of the Philippines and other relevant jurisprudence on confusingly similar and well-known marks.

“10. The registration of RESPONDENT’s mark will cause confusion, mistake and deception on the part of the purchasing public as to the source or origin of RESPONDENT’S services. The visual and phonetic

similarities between the marks will lead consumers to associate the RESPONDENTS mark with that of the OPPOSER.

“11. RESPONDENT’S application amounts to bad faith. RESPONDENT’S application exploits and capitalizes on the popularity and the enormous goodwill generated by the use of the OPPOSER’S trademark in the world.

Opposer alleges the following facts:

“2. The OPPOSER is owned directly or indirectly by the two surviving members of The Beatles, Paul McCartney and Richard Starkey (known as Ringo Starr), and by the successors to the two deceased member, Yoko Ono Lennon (the widow of John Lennon) and the trustees of the Estate of George Harrison. This ownership is partly through Apple Corps Limited. xxx

“4. The OPPOSER was set up to co-produce the YELLOW SUBMARINE film and to own and exploit the YELLOW SUBMARINE trademark and copyright material relating to the film. Xxx

“6. YELLOW SUBMARINE is an animated motion picture film that features the characters of the BEATLES and which was released in 1968. Heinz Edelman drew the cartoon submarine depicted in the film.

“7. The OPPOSER was an original co-producer of the film in the 1960’s with King Feature Syndicates (Part of the Hearst Corporation). By virtue of an agreement dated 05 October 1968 between the Hearst and Heinz Edelmann, the Hearst Corporation took assignment of all the rights of copyright through the world in drawings of the submarine designed for the production of the Yellow Submarine film. xxx

“9. The Yellow submarine album by the Beatles featuring music from the film was released in 1968 at about the same the film. The original Yellow Submarine album has continued to be available to the present day.xxx

“11. Yellow Submarine is also the name of the song featured in the Yellow Submarine film and in the film and in the album released by The Beatles in 1968, at about the same time as the film.

CURRENT USE

“1. OPPOSER has adopted and continuously used the trademark YELLOW SUBMARINE and its related marks for various products in actual trade and international commerce. There has been extensive marketing, advertising and promotion for the mark as a result of which the mark has acquired goodwill and international consumer recognition.

"2. The Yellow Submarine album continues to be available in various formats including on CD. Together with the rest of the Beatles catalogue, the album was re-released on CD in digitally re-mastered form in September 2009.

"3. In September 2009 Apple Corps licensed a video game called 'The Beatles: Rock Band' which featured the song Yellow Submarine. The Yellow Submarine track for this video game can be downloaded as entertainment software to be played in the video game.

"4. Radio and television stations continue to play YELLOW SUBMARINE song and album to this day. It can be downloaded in iTunes. The film is also available on video, DVD and Blu-Ray formats and can be purchased through the website www.yellowsubmarine.com and www.thebeatles.com, where merchandise containing the YELLOW SUBMARINE mark can be purchased online. xxx

The Opposer submitted the following evidence:

1. Certified true copy of trademark registration no. 4-1998-002418 dated January 20, 2013;
2. Statutory Declaration of Mr. Jeffrey Vaughan Jones;
3. Copy of United States Certificate of Copyright Registration;
4. Copy of packaging for YELLOW SUBMARINE film in DVD and Blu-Ray re-release;
5. Copy of packaging for YELLOW SUBMARINE songtrack album released on CD;
6. Annual sales figures of YELLOW SUBMARINE albums;
7. Summary sales of "1", "Revolver" and "The Beatles 1962-1966";
8. Example of royalty statements submitted to Apple;
9. Examples of selected merchandise licensed; images of book "The Beatles Yellow Submarine";
10. Schedule of trademark registrations and trademark registrations owned by SUBAFILMS for the mark "YELLOW SUBMARINE";
11. True copy of decisions in the United Kingdom Trade Marks Registry; European Community Trade Mark Office (OHIM) and the Chinese Trade Mark Office;
12. Extracts of various websites relating to Beatles music; images from websites f www.revolutionvegas.com; example of features in newspapers, magazines, clippings about the Beatles;
13. Downloaded pages showing images of the Beatles' Philippine visit; and
14. Downloaded pages from website showing the band "Dynasouls"; www.billboard.com on "Songs for the Philippines"; "Yellow Submarine Cheesesteak"; and <http://akiko.wordpress.com>; and references to the Beatle Song "Yellow Submarine".⁴

⁴ Exhibits "A" to "G" inclusive of submarkings

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 25 July 2014. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 5 March 2012 Order No. 2015-341 declaring the Respondent-Applicant in default.

Should the Respondent-Applicant's trademark application for the mark YELLOW SUBMARINES be allowed?

Records show that at the time Respondent-Applicant filed its application for the mark YELLOW SUBMARINES on 10 February 2014, Opposer already registered YELLOW SUBMARINE under Certificate of Registration No. 4-1998-00002418 for goods/services under Classes, 6, 9, 14, 16, 18, 21, 25, 26, 28 and 41.

The competing marks are shown below:



Yellow Submarine

Opposer's mark



Respondent-Applicant's mark

The marks are identical with respect to their literal components, differing in the negligible addition of the letter "S" in Respondent-Applicant's mark. In Respondent-Applicant's composite mark, the words, YELLOW SUBMARINES, are inside the image of a submarine, while the Opposer's mark is written in stylized form. However, these differences are immaterial considering that the dominant words, YELLOW SUBMARINE have been appropriated by the Respondent-Applicant. Visually and aurally, the marks are confusingly similar. Evidence shows that the Opposer is the prior user, adopter and originator of the mark YELLOW SUBMARINE, a song popularized by the musical artists, The Beatles. The Beatles phenomenon is seen from the availability of its musical albums and being salable since the 1960's to the present. Opposer's witness, Mr. Jeffrey Vaughan Jones⁵, testified regarding the royalty payments received for the song, YELLOW SUBMARINE, packaging in CD, Blu-Ray and DVD formats, availability on the internet and at iTunes; features and articles regarding the Beatles, with reference to the YELLOW SUBMARINE.

The Opposer's YELLOW SUBMARINE mark's registration also covers services under Class 41, that includes "Entertainment and education, club entertainment services, discotheque services, nightclub services, entertainment, recreational and educational purposes..." which can be considered related to Respondent-Applicant's "Restaurant services etc.". In *Mighty Corporation v. E.& J. Gallo Winery*⁶, the Supreme Court held that:

⁵ Exhibit "B" inclusive

⁶ G.R. No. 154342, 14 July 2004

Confusion of goods is evident where the litigants are actually in competition; but confusion of business may arise between non-competing interests as well. Thus, apart from the strict application of Section 20 of the Trademark Law and Article 6^{bis} of the Paris Convention which proscribe trademark infringement not only of goods specified in the certificate of registration but also of identical or similar goods, we have also uniformly recognized and applied the modern concept of "related goods." Simply stated, when goods are so related that the public may be, or is actually, deceived and misled that they come from the same maker or manufacturer, trademark infringement occurs.

Non-competing goods may be those which, though they are not in actual competition, are so related to each other that it can reasonably be assumed that they originate from one manufacturer, in which case, confusion of business can arise out of the use of similar marks.

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's it is likely that the consumers will have the impression that these goods originate from a single source or origin. The confusion or mistake would subsist not only the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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. Here, 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 and defendant which, in fact does not exist.⁷

The public interest, therefore, requires that 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 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.⁸

⁷*Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

⁸*Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents, supra, Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

Finally, 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 millions of terms and combinations 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.⁹ Thus, the Respondent-Applicant's application is proscribed under Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-500536 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark registration be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 28 JUN 2017



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

⁹ *American Wire & Cable Company v. Director of Patents*, G. R. No. L-26557, 18 February 1970.