

FLY ACE CORPORATION,
Opposer,

-versus-

JOE SANTOS UY,
Respondent-Applicant.

X-----X

| | |
|---|---------------------------------|
| } | IPC No. 14-2014-00519 |
| } | Opposition to: |
| } | |
| } | Appln. Serial No. 4-2014-008564 |
| } | Date Filed: 09 July 2014 |
| } | |
| } | TM: JOLLY LOLLY |
| } | |
| } | |
| } | |

NOTICE OF DECISION

RONALD M. CASTAÑEDA
Counsel for Opposer
Rm. 207 Megastate Building
G. Araneta Avenue corner Agno Extension
Quezon City

JOE SANTOS UY
Respondent- Applicant
2302 Jose Abad Santos Avenue,
Sta. Cruz, Manila

GREETINGS:

Please be informed that Decision No. 2017 - 135 dated 20 April 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, 21 April 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs

| | |
|-----------------------------|-----------------------------------|
| FLY ACE CORPORATION, | } IPC NO. 14-2014-00519 |
| Opposer, | } Opposition to: |
| | } |
| -versus- | } Appln. Ser. No. 4-2014-008564 |
| | } Date Filed: 9 July 2014 |
| | } |
| JOE SANTOS UY, | } Trademark: "JOLLY LOLLY" |
| Respondent-Applicant. | } |
| | } |
| x-----x | } Decision No. 2017- <i>135</i> |

DECISION

FLY ACE CORPORATION, (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2014-008564. The application, filed by JOE SANTOS UY (Respondent-Applicant)², covers the mark "JOLLY LOLLY", 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" under Class 30 of the International Classification of Goods³.

The Opposer anchors its opposition on the following:

"8. Opposer is the owner of 'JOLLY TRADEMARKS' in the Philippines that have been registered before the Bureau of Patents, Trademarks and Technology Transfer, the details of which are as follows:

| TRADEMARK | REG.NO. | DATE | CLASS |
|---|----------------|----------------|--------------|
| Jolly & Flower Design | 4-1999-048505 | Dec. 13, 2002 | 30 |
| Jolly & Flower Design with Pure Goodness | 4-2000-001154 | July 1, 2004 | 29 |
| Jolly & Flower Design Jolly with Pure Goodness and design | 4-2000-000983 | Aug. 5, 2004 | 29 |
| Jolly Spread | 4-2003-001427 | March 19, 2007 | 29 |
| Jolly Pure Goodness and Flower design | 4-2005-009938 | April 14, 2008 | 29 |
| | 4-2005-009937 | May 6, 2008 | 29 |

¹ A corporation duly organized and existing under Philippine laws with address at 7th Floor Fly Ace Corporate Center, 13 Coral Way, Central Business Park, Pasay City

² Filipino with address at 2302 Jose Abad Santos Avenue, Sta. Cruz, 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 the International Classification of Goods and Services for Registration of Marks concluded in 1957.

| | | | |
|--|-----------------|---------------|----|
| Jolly Pure Goodness and Flower design | 4-2005-002871 | Nov. 17, 2008 | 29 |
| Jolly Heartmate & Design | 4-2009-009706 | Sept. 9, 2010 | 29 |
| Jolly Claro | 4-2009-009706 | Feb. 24, 2011 | 29 |
| Jolly Pure Goodness | 4-2013-00014325 | July 17, 2014 | 29 |

"2. Opposer is also the first user of the trademark 'JOLLY' for its good in class 30 in the Philippines long before Respondent-Applicant appropriated the similar mark 'JOLLY LOLLY' for its own product in class 30.

"3. Respondent-Applicant trademark JOLLY LOLLY is so confusingly similar or so resembles Opposer's JOLLY trademarks, and is easily derived from the same as to be likely, when applied to or used in connection with the goods of Respondent-Applicant, would cause confusion, mistake and deception on the part of the consuming/purchasing public by misleading them into thinking that Respondent-Applicant's goods either originated from the Opposer or are sponsored or licensed by it.

"4. A cursory examination of the trademark application shows that the component 'JOLLY' of respondent's trademark 'JOLLY LOLLY' is identical in spelling, pronunciation and appearance with the dominant component of 'JOLLY' of Opposer's registered JOLLY TRADEMARKS.

"5. Respondent-Applicant deliberately adopted the trademark 'JOLLY LOLLY' on its own good with clear intention of misleading the general public into believing that its good bearing the trademark was originated from, or licensed or sponsored by the Opposer, which has been identified in the trademark and by consumers as a source of goods bearing the trademark JOLLY in their name.

"6. The registration and use by Respondent-Applicant of the trademark JOLLY LOLLY will not only diminish the distinctiveness but also will dilute the goodwill of Opposer's JOLLY trademarks which is arbitrary trademark when applied to opposer's product as well as other goods and services. xxx

"9. As stated, Opposer is the first user of the mark JOLLY in the Philippines commerce, having utilized the same for considerable number of years (since 1972) and has invested substantial amount in extensively promoting the JOLLY trademarks in the Philippines by spending considerable time, money, effort and resources through mass media sales advertisement, demonstration, and promotional events.xxx"

To support its opposition, the Opposer submitted as evidence the following:

1. Affidavit of Ellen L. Cochanco dated 26 January 2015;
2. Copy of Certificate of Registration No. 4-1999-04805 for the mark "JOLLY & FLOWER DESIGN" issued on 13 December 2002 for goods under class 30, namely: "canned goods, namely: young corn, young corn cut, maraschino cherries with stem, maraschino cherries without stem, fruit cocktail";
3. Copy of Certificate of Registration No. 4-2000-001154 for the mark "JOLLY & FLOWER DESIGN WITH PURE GOODNESS" issued on 1 July 2004 for goods under class 29;
4. Copy of Certificate of Registration No. 4-2000-000983 for the mark "JOLLY & FLOWER DESIGN WITH PURE GOODNESS" issued on 5 August 2004 for goods under class 29;
5. Copy of Certificate of Registration No. 4-2003-001427 for the mark "JOLLY WITH PURE GOODNESS & DESIGN" issued on 19 March 2007 for goods under class 29;
6. Copy of Certificate of Registration No. 4-2005-009938 for the mark "JOLLY SPREADS (DESIGN)" issued on 14 April 2008 for goods under class 29;
7. Copy of Certificate of Registration No. 4-2005-009937 for the mark "JOLLY PURE GOODNESS & FLOWER DESIGN" issued on 6 May 2008 for goods under class 29;
8. Copy of Certificate of Registration No. 4-2005-002871 for the mark "JOLLY PURE GOODNESS & FLOWER DESIGN" issued on 17 November 2008 for goods under class 29;
9. Copy of Certificate of Registration No. 4-2009-011061 for the mark "JOLLY HEARTMATE & DESIGN" issued on 9 September 2010 for goods under class 29;
10. Copy of Certificate of Registration No. 4-2009-009706 for the mark "JOLLY CLARO & DEVICE" issued on 24 February 2011 for goods under class 29;
11. Copy of Certificate of Registration No. 4-2013-00014325 for the mark "JOLLY PURE GOODNESS" issued on 17 July 2014 for goods under class 29;
12. Copy of Promotional Agreement Renewal dated 8 November 2006;
13. Copy of Merchandise Display and Promotional Agreement dated 9 February 2007;
14. Copy of Display Agreement Contract dated 2007;
15. Agreement with Century Culinary Club dated 2004;
16. Various Billing statements for airtime, advertising placements;uvw
17. Copy of Talent Contracts dated 2013; and
18. Various photographs showing displays, advertising, events.⁴

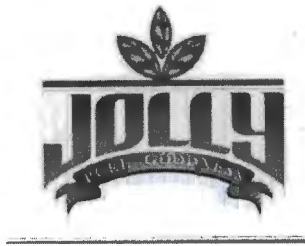
This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 5 February 2015. The Respondent-Applicant, however, did not file an Answer. Thus, the

⁴ Exhibits "A" to "Y"

Hearing Officer issued on 24 June 2015 Order No. 2015-905 declaring the Respondent-Applicant to have waived its right to file an Answer.

Records show that at the time Respondent-Applicant applied for registration of the mark "JOLLY LOLLY", the Opposer had numerous existing registrations for the mark "JOLLY & FLOWER DESIGN" in different variations, but maintaining the dominant word "JOLLY" for goods under class 29 and 30. The goods covered by the Opposer's trademark registration under class 30, are related to those indicated in the Respondent-Applicant's trademark application.

The competing marks are depicted below:



Opposer's mark



Respondent-Applicant's mark

The marks are identical in respect of the word JOLLY. The word JOLLY is a dominant, essential, prevalent feature of both marks. The Opposer's mark includes the words "PURE GOODNESS" in a smaller and negligible size as compared to the word JOLLY. The Respondent-Applicant's mark includes the word LOLLY which rhymes with the word JOLLY. The resultant marks when pronounced are *idem sonans* or phonetically similar. Visually and aurally the marks are confusingly similar. The Supreme Court held:

As to the syllabication and sound of the two trade-names "Sapolin" and "Lusolin" being used for paints, it seems plain that whoever hears or sees them cannot but think of paints of the same kind and make. In a case to determine whether the use of the trade-name "Stephens' Blue Black Ink" violated the trade-name "Steelpens Blue Black Ink", it was said and held that there was in fact a violation; and in other cases it was held that trade-names *idem sonans* constitute a violation in matters of patents and trade-marks and trade-names. (Nims on Unfair Competition and Trade-Mark, sec. 54, pp. 141-147; N. K. Fairbanks Co. vs. Ogden Packing and Provision Co., 220 Fed., 1002.)⁵

Likewise, the Supreme Court in the case of Marvex Commercial Co., Inv. V. Petra Hawpia & Co. and the Director of Patents⁶ is instructive on the matter, to wit:

Two letters of "SALONPAS" are missing in "LIONPAS"; the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound

⁵ *Sapolin Co., Inc. v. Balmaceda*, G.R. No. L-45502, 2 May 1939

⁶ G.R. No. L-19297, 22 December 1966

effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance (Co Tiong Sa vs. Director of Patents, 95 Phil. 1 citing Nims, The Law of Unfair Competition and Trademarks, 4th ed., vol. 2, pp. 678-679). xxx

The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, Unfair Competition and Trade Marks, 1947, vol. 1, will reinforce our view that "SALONPAS" and "LIONPAS" are confusingly similar in sound: "Gold Dust" and "Gold Drop"; "Jantzen" and "Jazz-Sea,"; "Silver Flash" and "Supper-Flash"; "Cascarete" and "Celborite"; "Celluloid" and "Cellonite"; "Chartreuse" and "Charseurs"; "Cutex" and "Cuticlean"; "Hebe" and "Meje"; "Kotex" and "Femetex"; "Zuso" and "Hoo Hoo". Leon Amdur, in his book "TradeMark Law and Practice", pp. 419-421, cites, as coming within the purview of the *idem* sonans rule, "Yusea" and "U-C-A", "Steinway Pianos" and "Steinberg Pianos", and "Seven-Up" and "Lemon-Up". In Co Tiong vs. Director of Patents, this Court unequivocally said that "Celdura" and "Cordura" are confusingly similar in sound; this Court held in Sapolin Co. vs. Balmaceda, 67 Phil. 795 that the name "Lusolin" is an infringement of the trademark "Sapolin", as the sound of the two names is almost the same.

In the case at bar, "SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties (see Celanese Corporation of America vs. E. I. Du Pont, 154 F. 2d. 146, 148).

In the instant case, the Opposer proved that it has consistently advertised, sold and displayed a wide range of its products in class 30 and related goods under class 29, namely: *"canned goods namely lychees in syrup, rambutan with pineapple syrup⁷, asparagus spear, cut watercrest, nut peeled, corn oil, soya oil, canola oil⁸, chicken soup, celery soup, chicken noodle soup, chicken rice soup⁹, Bottled packed spreads, namely: choco hazelnut, duo hazelnut, swirl hazelnut¹⁰; canned goods green peas, salted black beans peach halves, vegetable oil fruit cocktail¹¹, edible oil¹², Cooked fruits and vegetables, mushrooms, corn carbanzos grass jelly, tomato paste¹³"*, in different commercial establishments.¹⁴ It submitted talent contracts and billings statements¹⁵ to show that the product bearing the "JOLLY AND FLOWER DESIGN" as well as all other variations of the "JOLLY" mark applied on goods under classes 29 and 30, received celebrity endorsements and are aggressively promoted in media. It is not farfetched that the buying public may be confused or misled into thinking that the goods of the Respondent-Applicant bearing the mark JOLLY LOLLY originate or are sponsored by the Opposer.

⁷ Exhibit "C"

⁸ Exhibit "D"

⁹ Exhibit "E"

¹⁰ Exhibit "F"

¹¹ Exhibit "H"

¹² Exhibit "I"

¹³ Exhibit "J"

¹⁴ Exhibits "L" to "V"

¹⁵ Exhibits "W" and "Y"

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.¹⁶

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.¹⁷

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-008564 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 20 APR 2017



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

¹⁶*Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

¹⁷*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).