

JOHN MUNRO,
Opposer,

-versus-

HILARIO F. CORTEZ and MAURO M. ARJONA, JR., }
Respondent-Applicant. }

X-----X

IPC No. 14-2016-00030
Opposition to:
Appln. Serial No. 4-2014-008579
Date Filed: 09 July 2014

TM: COCOMANGO

NOTICE OF DECISION

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HILARIO F. CORTEZ

Respondent- Applicant
Block 67, Lot 14, Daffodil Street
Barangay Rizal, Makati City

MAURO M. ARJONA, JR.

Respondent-Applicant
Block 67, Lot 14 Daffodil Street,
Barangay Rizal, Makati City

GREETINGS:

Please be informed that Decision No. 2017 - 224 dated 16 June 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, 16 June 2017.

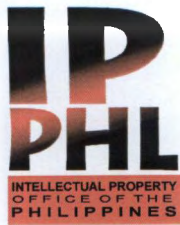
MARILYN F. RETUAL

IPRS IV

Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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IPC No. 14-2016-00030

Opposition to:
Application No. 4-2014-008579
Date Filed: 09 July 2014
Trademark: "COCOMANGO"

Decision No. 2017- 224

DECISION

JOHN MUNRO¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-008579. The application, filed by Hilario F. Cortez and Mauro M. Arjona, Jr.² ("Respondent-Applicants"), covers the mark "COCOMANGO" for use as "services for providing food and drink; restaurant serving food and drinks" under Class 43 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
 "GROUNDS

"Hereunder are the grounds of the opposition, which are hereby pleaded in compliance with Section 134 of the IP Code and for the purpose of showing that registration of the subject trademark is prohibited under the IP Code.

"9. The Opposer is the originator, prior adopter and user of the trademark and service marks 'COCOMANGAS' and its variations such as 'COCOMANGAS & LOGO,' 'COCOMANGAS, INC. & LOGO' in the Philippines.

"In the Philippines, the Opposer has already obtained the trademark/service mark registrations identified below.

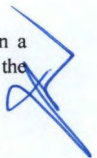
x x x

"10. Certified true copies of the mentioned trademark/service mark registrations are attached as Exhibit 'A' and Exhibit 'B,' and as evidence of the Opposer. Other certified copies of the mentioned trademark registrations trademark of Opposer herein shall be presented as Opposer's evidence during the course of the proceedings as the Bureau of Trademarks has not yet issued them although the corresponding request has long been filed by the undersigned.

¹With address at c/o Cocomangas Shooter Bar, Boracay Island, Balabag, Malay, Aklan, Philippines.

²With address at Block 67, Lot 14, Daffodil Street, Barangay Rizal, Makati City, Metro Manila, Philippines.

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



"11. In any case, all Opposer's trademark/service mark registrations and applications issued by, and filed in the Bureau of Trademarks, even if not cited herein, must be recognized by the Honorable Bureau of Legal Affairs by way of judicial notice. The Intellectual Property Office, particularly the Honorable Bureau of Legal Affairs and the Office of the Director General have already declared in several cases that trademark registrations can be taken cognizance of by way of judicial notice. Subjects found in the Trademark Registry including the list of registered trademarks as well as pending applications and statuses are matters that the ODG can and should take cognizance of even if not raised as an issue by the parties.

"12. The BLA is a part of the government agency that is the primary repository of information on intellectual property matters, including the Trademark Registry, such that the Director ought to know whether a trademark registration subject of or of critical importance to a case being heard by her Bureau is still valid or existing. Aptly, the existence or validity of a trademark registration subject of or which could resolve an issue or determine the outcome of a case is a matter of judicial notice for cases heard by the Intellectual Property Office of the Philippines.

"13. The BLA could also take judicial notice of any ruling it made in cases brought before it. In this regard, Opposer hereby adopts all the material arguments and discussions pertaining to the local fame of Opposer's business, trademarks and service marks already presented in the pending his Complaint for Trademark Infringement and Unfair Competition with Damages and Application for Preliminary Injunction and/or Temporary Restraining Order under IPV Case No. 14-2009-00005 [JOHN MUNRO VERSUS CUCAMANGAS BORACAY, INC. AND/OR ANTONINA S. SUAL, MAYLYNN A. GRAF, JENNIFER M. DANAY, LORENA S. SEJANE, AND GLADYS B. CALONIA].

"Moreover, Opposer hereby adopts and presents as his evidence is the present opposition proceedings all the documents and materials presented and offered as evidence in said IPV Case No. 14-2009-00005, if and when they are applicable.

"14. It was only recently that the Respondent-Applicants have filed on July 9, 2014 Trademark Application Serial No. 4-2014-008579 for 'Cocomango' covering 'services for providing food and drink; restaurant serving food and drinks' in Class 43.

"15. Clearly, the cited registered and well-known trademarks of Opposer have been registered and applied to be registered much earlier than the subject application (Trademark Application Serial No. 4-2014-008579) of Respondent-Applicants.

"16. The identified registered trademarks of Opposer clearly use the letters 'C', 'O', 'C', 'O', 'M', 'A', 'N' and 'G' as their common dominant feature, which is also the same dominant feature in the Respondent-Applicant's trademark 'Cocomango.' By virtue of Sections 123.1 (d), 123.1(e), and 123.1 (f) of the IP Code, the registration of 'Cocomango' in the name of Respondent-Applicants must be denied.

"17. The Respondent-Applicants' mark 'Cocomango' is patently identical or at least constitutes a colorable imitation of the Opposer's trademark and service mark 'COCOMANGAS' and its variations such as 'COCOMANGAS & LOGO' and 'COCOMANGAS, INC. & LOGO,' all registered and/or applied for registration in the Philippines and in several countries of the world. Consequently, the use of Respondent-

Applicant's mark on his goods in Classes 7, 9 and 11 would likely deceive purchasers of goods and mislead them to believe that said goods of Respondent-Applicant are rendered from, sourced from, produced or sponsored by the Opposer, to the damage and prejudice of the goodwill and interests of the Opposer.

"18. While the letter 'O' has been added to the letters 'C', 'O', 'C', 'O', 'M', 'A', 'N' and 'G' to form a seemingly different trademark 'COCOMANGO,' still the dominant portion thereof is the mentioned letters, which could be collectively read as 'COCOMANG' or Cocomang.'

"19. The continued use by Respondent-Applicants of its 'Cocomango' on his services in Class 43 will constitute a clear case of criminal piracy. Accordingly, if allowed to proceed to registration, the subject application will violate the mentioned provisions of the IP Code. As a matter of fact, the adoption and use of Respondent-Applicants' 'Cocomango' in Class 43 constitutes infringement of Opposer's Trademark Registration Nos. 4-2012-006220 ('www.cocomangas.com' in Classes 35, 42 and 43) and 04-2012-008463 ('cocomangastore.com' in Classes 35, 42 and 43).

"FACTS AND CIRCUMSTANCES

"Opposer relies upon the facts and circumstances set forth hereunder to support this opposition.

"20. Opposer herein is a Canadian Citizen who is a resident in the Philippines and married to a Filipina. Thus, Opposer is authorized to bring this action under the material provisions of the IP Code.

"21. Opposer has appointed the undersigned as his attorney and counsel for the purpose of representing Opposer in the subject opposition proceedings. Thus, notices and processes in connection with this case and related proceedings may be served upon the Opposer through the undersigned counsel. The original notarized Power of Attorney is hereby attached and presented as Exhibit 'C' and evidence of the Opposer.

"Opposer may be served with summons, orders and other processes of this Honorable Bureau of Legal Affairs through the undersigned counsel.

"22. Respondent-Applicants HILARIO F. ORTEZ and MAURO M. ARJONA, JR., are presumably Filipino citizens whose address as indicated or reflected in the records of subject application (Trademark Application Serial No. 4-2014-008579) is at Block 67, Lot 14, Daffodil Street, Barangay Rizal, Makati City, Metro Manila, Philippines, where they may be served with summons, orders and other processes of this Honorable Office.

"23. The subject trademark as applied for and published for opposition purposes appears as follows:

x x x

"24. At present, Opposer is engaged in the business of providing bar and restaurant services.

"25. He started his business in 1987 when he set up the COCOMANGAS Hotel Beach Resort at the famous Boracay Island of Balabag, Malay, Aklan, Philippines.

In 1988, he built and opened a bar in the same place. When he and his former wife parted ways on January 10, 2001, he formally called the bar as Cocomangas Shooter Bar.

"26. To attract tourists to his hotel and bar, Complainant came out with a distinctive trademark, using the word 'COCOMANGAS' that captures the life of beach fun in Boracay. In 1990, Complainant added a logo to the word 'COCOMANGAS' that reflects the color of the place and the vibrant leisure life of sand and palms, thus:

x x x

"27. While the word 'COCOMANGAS' was adopted and used by Opposer commercially in the Philippines as early as 1987, the 'COCOMANGAS & LOGO' was adopted and used by him commercially in the Philippines as early as 1990.

"28. As a registered owner of 'COCOMANGAS & LOGO' which has been commercially used continuously, openly and extensively in the Philippines from 1987 to date, the Complainant herein has already amassed substantial amount of good will and excellent reputation that must be protected and has the right to prevent third parties from using confusingly similar marks under the provisions of the IP Code identified below.

x x x

"29. Opposer's marks 'COCOMANGAS & LOGO' and variations thereof, and the bar business which carries the mark, are also of unquestionable demonstration, as they are prominently advertised in the following websites, which are accessible in the Philippines, vesting the marks with a well-known status, thus:

x x x

"30. Soon, this bar became popular among tourists. The goodwill generated came from the attention-capturing offerings at the bar:

x x x

"31. Under the IP Code and relevant Philippine jurisprudence, the Intellectual Property Office of the Philippines is bound to protect Opposer's trademarks by immediately and unconditionally rejecting the application for registration of an identical mark such as the trademark/service mark 'Cocomango' sought to be registered by the Respondent-Applicants under Trademark Application Serial No. 4-2014-008579.

"32. The approval and allowance of Trademark Application Serial No. 4-2014-008579 will trample upon the mantle of protection provided by the registrations of the Opposer and the rights conferred upon the Opposer by virtue of said registrations under the cited Section 147.1, Section 147.2 and related Sections 123.1 (d), 123.1 (e), 123.1 (f) and 123.1 (g) of the IP Code.

"33. By approving and allowing Trademark Application Serial No. 4-2014-008579, the Intellectual Property Office will allow itself to be a tool for perpetrating unfair competition and/or trademark infringement described in Sections 155, 156, 157 and 168 of the IP Code.

"34. While the last letters 'A' and 'S' of Opposer's 'COCOMANGAS' have been slightly altered by just replacing them with the single letter letters 'O' to form a seemingly different trademark/service mark 'COCOMANGO,' still the dominant portion

thereof are the letters 'C,' 'O,' 'C,' 'M,' 'A,' 'N, and G' that collectively could be reasonably read as 'COCOMAGN.'

"The 'COCOMANG' element in the challenged trademark/service mark 'COCOMANGO' is not only the dominant portion, but also practically the entirety of the Opposer's trademark and service mark 'COCOMANGAS' belonging to, commercially used by, and registered in the Philippines and even few foreign countries Hence, Respondent-Applicant's Trademark Application Serial No. 4-2014 – 008579 is a bad faith application for it involves a confusingly similar trademark.

"35. The slight alteration described above does not eliminate likelihood of confusion. Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Neither could it be ruled out even when a design or device is incorporated into the confusingly similar mark. Confusing similarity exists when there is such a close ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.

"It has been stated time and again that, 'the conclusion created by use of the same word as the primary element in a trademark is not counteracted by the addition of another term' [See *Continental Connector Corp. v. Continental Specialties Corp.*, 207 USPQ 60]. It is likely that consumers may assume that one mark is just a variation of the other or there is a connection or association between the two marks and/or between the contending parties themselves, when in fact there is none.

"36. Respondent-Applicants have fraudulently applied for the registration of 'COCOMANGO' since they would be merely taking a free ride on the popularity and fame of Opposer's well-known marks 'COCOMANGAS' and its variations such as 'COCOMANGAS & LOGO' and 'COCOMANGAS, INC. & LOGO.'

"37. Respondent-Applicants' Trademark Application Serial No. 4-2014-008579 application has been filed in bad faith since there can be no reasonable explanation for its adoption of 'COCOMANGO' or the letters 'C,' 'O,' 'C,' 'O,' 'M,' 'A,' 'N, and 'G' that collectively could be reasonably read as 'COCOMANG.' The inference that stands for lack of such explanation, as held in *Converse Rubber Corporation vs. Universal Rubber Products, Inc.*, is that the words were chosen deliberately to deceive, and, as held in *Shangri-La International Hotel Management, Ltd. vs. Developers Group of Companies, Inc.*, to take advantage of the goodwill of Opposer's well-known marks 'COCOMANGAS' and its variations such as 'COCOMANGAS & LOGO' and 'COCOMANGAS INC. & LOGO.'

"28. Opposer's locally well-known marks 'COCOMANGAS' and its variations such as 'COCOMANGAS & LOGO' and 'COCOMANGAS, INC. & LOGO' must be protected against trademark dilution. The principle of Trademark Dilution prohibits the use and registration of a trademark when such trademark, or an essential part of the trademark, constitutes a reproduction of any well-known mark or an imitation liable to create confusion. The prohibition is to prevent Trademark Dilution from setting in, or the dilution of the distinctiveness of the said famous elements of the mark.

x x x

"39. The protection against trademark dilution is now fully ingrained in Sections 123.1 (e) and (f) of the IP Code. Protection is had even if the goods involved are non-competing.

"40. Preventing trademark dilution has a salutary purpose. The justification for the protection under the trademark dilution doctrine is that somehow that public benefits from protection against diluting the distinctiveness of a famous mark and that it is simply not right to reduce the importance or value of a valuable mark for the free ride of the newcomer even if the public is not confused.

"41. This is the underlying reason why the Supreme Court has looked down on traders who 'ride on the coattails' of the more established mark.

"42. Respondent-applicant's adoption therefore of 'COCOMANGO' has the effect of tarnishing and blurring the distinctiveness of Opposer's well-known marks.

The Opposer's evidence consists of copies of Trademark Reg. Nos. 4-2006-002384 and 4-2012-006220 for "COCOMANGAS & LOGO" and www.cocomangas.com respectively; and the Special Power of Attorney executed by Opposer in favor of Atty. Onofre A. Francisco, Jr.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 05 April 2016. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on the following provisions of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"):

Sec. 123.Registrability. - 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;"

- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark 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*

⁴Marked as Exhibits "A" to "C".

knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

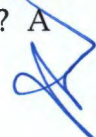
- (f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or service which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use;
- (g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;

Sec. 147. *Rights Conferred.* - 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

147.2. The exclusive right of the owner of the well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: *Provided*, That use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use.

Records show that at the time the Respondent-Applicant filed its trademark application on 9 July 2014, the Opposer has existing trademark registrations for the marks COCOMANGAS & LOGO and www.cocomangas.com under Trademark Reg. Nos. 4-2006-002384 and 4-2012-006220 issued on 26 February 2007 and 2 August 2012 respectively. The registrations cover "hotel and restaurant services" under Class 43, and other services under Classes 35 and 42. This Bureau noticed that the services indicated in the Respondent-Applicants' trademark application, i.e. services for providing food and drink; restaurant serving food and drinks under Class 43, are similar and/or intimately-related to the Opposer's.

Hence, the question, does COCOMANGO resemble COCOMANGAS & LOGO and www.cocomangas.com such that confusion or deception is likely to occur? A comparison of the competing marks reproduced below:



www.cocomangas.com



Cocomango

Opposer's service marks

Respondent-Applicants' mark

shows that confusion is likely to occur. The fact that the Opposer's mark COCOMANGAS & LOGO consists of the word "COCOMANGAS" in stylized capital letters and fanciful representations of five (5) coconut trees with a background is of no moment, without the logo, Respondent-Applicants' COCOMANGO is similar or confusingly similar to Opposer's. Respondent-Applicants' mark COCOMANGO adopted the dominant features of Opposer's service marks consisting of the letters "C", "O", "C", "O", "M", "A", "N" and "G". COCOMANGO appears and sounds almost the same as Opposer's service mark COCOMANGAS. Both COCOMANGO and COCOMANGAS marks have the letters "C", "O", "C", "O", "M", "A", "N" and "G". Respondent-Applicant merely replaced the last two letters "A" and "S" in the mark COCOMANGAS with the letter "O" to come up with the mark COCOMANGO. Likewise, the competing marks are used on similar and/or closely related services, particularly, services in Class 43. Thus, it is likely that the consumers will have the impression that these services 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:

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.⁵

Public interest therefore requires, that two marks, identical to or closely resembling each other and used on the same and closely related goods or services, 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

⁵ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.

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.⁶

Succinctly, 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.⁷

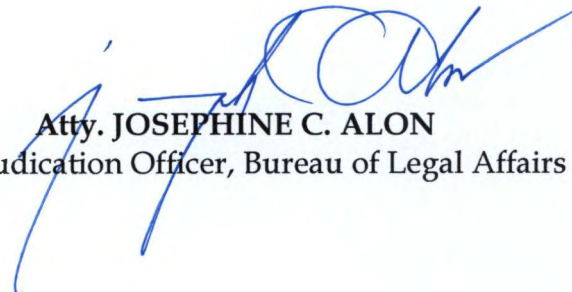
The intellectual property system was established to recognize creativity and give incentives to innovations. Similarly, the trademark registration system seeks to reward entrepreneurs and individuals who through their own innovations were able to distinguish their goods or services by a visible sign that distinctly points out the origin and ownership of such goods or services.

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1 (d) (iii) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-008579 is hereby SUSTAINED. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, T'6' JUN 2017.


Atty. JOSEPHINE C. ALON
Adjudication Officer, Bureau of Legal Affairs

⁶ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Eihepa 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).

⁷ *American Wire & Cable Company v. Director of Patents*, G.R. No. L-26557, 18 Feb. 1970.