



INTELLECTUAL PROPERTY
OFFICE OF THE PHILIPPINES

**CEMEX S.A.B. DE C.V., SOLID CEMENT CORP.,
AND APO CEMENT CORPORATION,**
Complainant,

-versus-

HOLCIM PHILIPPINES, INC.,
Respondent.

IPV No. 10-2010-00012

For: Trademark Infringement and
Unfair Competition and Damage

X-----X

NOTICE OF DECISION

POBLADOR BAUTISTA & REYES

Counsel for Complainant
5th Floor, SEDCCO I Building
120 Rada corner Legaspi Streets,
Legaspi Village, Makati City

SYCIP SALAZAR HERNANDEZ & GATMAITAN

Counsel for Respondent
Sycip Law Center
105 Paseo de Roxas Street,
Makati City

GREETINGS:

Please be informed that Decision No. 2017 - 12 dated 22 December 2017
(copy enclosed) was promulgated in the above entitled case.

Taguig City, 03 January 2018.

MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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DECISION

CEMEX S.A.B. DE C.V. SOLID CEMENT CORPORATION AND APO CEMENT CORPORATION,¹ APO CEMENT CORPORATION² and SOLID CEMENT CORPORATION³ filed an Intellectual Property Violation (IPV) case against HOLCIM PHILIPPINES, (“Respondent”)⁴. The complaint is based on the following causes of action: “trademark infringement, unfair competition and damages”.

The Complainant alleges, among other things, the following in support of its cause of action:

“6. CEMEX is a multinational corporation with many members-subsiidiaries. It is a corporation duly organized under the laws of Mexico. It has been doing business therein since 1906. All of the trademarks and other intellectual property of CEMEX and its members-subsiidiaries, as well as the protection and enforcement thereof, are managed centrally by its legal counsel at its head office in Mexico with the assistance of the local operating companies.

“7. One of the important trademarks of CEMEX is ‘CEMEX and Design, Building the Future’. ‘CEMEX and Design, Building the Future’ is an original coined mark created and used by CEMEX since 2001. No other company has legitimately used this mark before its creation and use

¹ A corporation organized and existing under the laws of Mexico with principal place of business at Ave. Construction 444 Pte Col Centro 64000 Monterrey, Nuevo Leon, Mexico

² A domestic corporation duly organized and existing under Philippine law with address at Apo Cement Compound , Tina-an, Naga, Cebu.

³ A domestic corporation duly organized and existing under Philippine laws with address at 8th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City.

⁴ A corporation duly organized and existing under under Philippine laws with address at 7th Floor, Two World Square Building, McKinley Hill, Fort Bonifacio, Taguig City

by CEMEX. The mark 'CEMEX and Design, Building the Future' is being used in the promotion and sale of Complainant's products, including cement, in the Philippines and in 27 other countries.

"8. In the Philippines, the 'CEMEX and Design, Building the Future' trademark was applied for registration by CEMEX as early as on 6 November 2001, as evidenced by the Certificate of Registration No. 4-2001-008296 issued by the Philippine Intellectual Property Office, which covers no less than thirteen classes of goods. The mark was eventually registered in CEMEX's favor on 30 July 2006. x x x

"9. The 'CEMEX and Design, Building the Future' trademark is covered not only by the aforesaid registration in the Philippines but also by ninety-six (96) other registrations in different classes spread across twenty-seven (countries). The 'CEMEX and Design, Building the Future' trademark is also covered by Community Trademark registration in English and Spanish. Importantly, the coined phrase 'Building the future' is subject of a separate Community Trademark (Registration No. 005825849) , and is thus protected in all 28 countries of the European Union. x x x

"10. Further CEMEX has a pending application with the IPO for the registration of the coined composite mark 'Building the Future' under classes 19, 37 and 39. x x x

"11. CEMEX granted Solid and Apo the right to use 'CEMEX and Design, Building the Future' on their products, including cement, under separate License Agreements. x x x

"12. The use by Complainants of the 'CEMEX and Design' Building the Future' mark at least since 2001, in connection with the sale and advertising of their construction materials (including cement), oil and fuels, adhesives, relating to transportation, consulting and its financial business, all over the world, has resulted in the mark becoming associated by construction firms and professionals and the relevant public exclusively with the Complainants' cement products. x x x

"12.2. The following are samples of advertising materials used by the Complainants on which 'CEMEX and Design, Building the Future' trademark were employed;

Description	Annex
Advertising materials from France, Poland, and U.S.A. featuring 'CEMEX and Design, Building the Future' mark in different languages including English	"E" series
Advertisement published in the 5 June 2002 issue of the Asian	'G-1'

Wall Street	
Advertisement published in the 1 August 2008 issue of the Philippine Star	'G-2'
Advertisement published in the 15 August 2008 issue of the Philippine Star	'G-3'
Advertisement published in the 16 September 2008 issue of the Philippine Star	'G-4'
Advertisement published in the 31 July 2008 issue of the Business World	'G-5'
Advertisement published in the 4 August 2008 issue of the Business World	'G-6'
Advertisement published in the 12 August 2008 issue of the Business World	'G-7'
Advertisement published in the 21 August 2008 issue of the Business World	'G-8'
Advertisement published in the 1, 5 & 10 June 2009 issues of the Business Mirror	'G-9'
Advertisement published in the Classified Ads Section of the 14 January 2007 issue of the Manila Bulletin	'G-10'
Advertisement in the Classified Ads Section of the 1 July 2007 issue of the Manila Bulletin	'G-11'
Advertisement in the 2 September 2007 issue of the Manila Bulletin	'G-12'
Advertisement in the 25 November 2007 issue of the Manila Bulletin	'G-13'
Advertisement in the 13 July 2008 issue of the Manila Bulletin	'G-14'
Advertisement in the 31 August 2008 issue of the Manila Bulletin	'G-15'
Advertisement in the 1 February 2009 issue of the Manila Bulletin	'G-16'
Advertisement in the 8 March 2009 issue of the Manila Bulletin	'G-17'
Screen shot of the website www.cemex.com	'G-18'
2007 CEMEX Monthly Planner	'G-19'
Advertisement published in the April 2008 issue of the Mexican Magazine 'Letras Libres'	'G-20'
Advertisement published in the September 2005 issue of the Mexican Magazine 'Letras Libres'	'G-21'
Cement bag used in Columbia bearing the slogan 'Construyendo el futuro'	'G-22'
Promotional Bag used in Colombia bearing the mark 'CEMEX and Design, Construyendo el futuro'	'G-23'
2-page feature in the 27-28 October 2006 issue of Business World published on the occasion of CEMEX 100 years celebration	'G-24'

“13. Sometime in the first half of 2008, it came to Complainant’s attention that Holcim, a direct competitor, came out with advertising materials for a new cement product, which employ the phrase ‘Building a better future together’. Some of such materials are:

- a. Holcim WallRight flyer;
- b. Holcim ‘Basta WallRight, ALRIGHT’ flyer;
- c. Advertisement published in the 14 May 2008 issue of the Philippine Daily Inquirer; and
- d. Holcim logo painted on a wall in the city of Legaspi;

“14. In a letter dated 1 August 2008, CEMEX wrote Holcim to demand that the latter cease and desist from using the objected phrase ‘Building a better future together’ because the phrase is a spin-off, and hence, a colorable imitation of ‘Building the future’ which is a dominant feature of the registered ‘CEMEX and Design, Building the Future’. x x x

“a. The trademark ‘CEMEX and Design, Building the Future’ is registered with the Intellectual Property Office.

“17. Pursuant to their respective License Agreements with CEMEX, only Solid and Apo were granted by CEMEX the right to use the trademark ‘CEMEX and Design, Building the Future’ in connection with the manufacture, distribution and sale in the Philippines of non-metallic materials such as cement and concrete.

“b. Holcim has not obtained the consent of the trademark owner, CEMEX, to use the registered mark.

“18. ‘Building a better future together’ is a colorable imitation of the registered mark ‘CEMEX and Design, Building the Future’ because the former phrase is a spin-off of ‘Building the future’ which is a dominant feature of the registered mark ‘CEMEX and Design, Building the Future’. x x x

“20. By virtue of their respective License Agreements with CEMEX, only Apo and Solid are authorized to use the trademarks ‘CEMEX and Design, Building the Future’ in connection with the manufacture, distribution and sale in the Philippines of non-metallic materials such as cement and concrete. Hence, it is clear that CEMEX has not given its consent to Holcim for the latter to use a colorable imitation of the registered mark ‘CEMEX and Design, Building the Future’.

“c. ‘Building a better future together’ is a colorable imitation of the dominant feature of ‘CEMEX and Design, Building the Future’.

“22. As stated in paragraph 13, above, Holcim has been using in the Philippines the objected phrase in its promotional and advertising materials. Such use constitutes trademark infringement of CEMEX’s duly-registered Philippine trademark, under Section 155 of the Intellectual Property Code.

“e. The use or application of infringing mark is likely to cause confusion or mistake or deceive the relevant public. x x x

“26. The trademark ‘CEMEX and Design, Building the Future’ has been used by Complainants in the Philippines in its sale, distribution and promotion of its cement and other construction products at least since 2001.

“27. Through widespread use over the past nine (9) years or so, Complainant’s have identified CEMEX’s construction products, particularly cement, with the mark ‘CEMEX and Design, Building the Future’. Holcim’s use of ‘Building a better future together’ in advertising cement product, is an act contrary to good faith calculated to pass off or palm off its goods as CEMEX’s or to produce the same result. Thus, Holcim unfairly competes with CEMEX, and should be held liable therefor. x x x

“29. Complainants have, through sale and distribution at least since 2001, established goodwill over the mark ‘CEMEX and Design, Building the Future’. Holcim’s act of passing off its cement products as that of the Complainant’s will cause prejudice and injury to the goodwill that the Complainants have established in the said products. x x x”

The Complainant offered the following evidence: Certificate of Registration No. 4-2001-008296 for the mark “CEMEX and Design, Building the Future” issued by the Intellectual Property Office of the Philippines on 30 July 2006; Certificate of Registration of “CEMEX and Design, Building the Future” by *Instituto Mexicano de la Propiedad Industrial* on 18 May 2001; Certificates of trademark registration issued in the U.S.A., Office for Harmonization in the Internal Market, Bangladesh, Mexico; Affidavit of Ms. Maria de la Paz Fernandez Uria; Advertising materials from France, Poland, U.S.A.; License Agreement between Cemex and Solid Cement dated 8 August 2006; License Agreement between Cemex and Apo Cement dated 9 August 2006; Advertisements published in the Philippine Star in 2008 and 2011; Advertisements published in the Business World in 2011; Advertisements published in the Business Mirror in 2009; Advertisements published in the Manila Bulletin in 2009; Screen shot of the website of www.cemex.com; 2007 CEMEX Monthly Planner; Advertisement published in 2008 issue of Mexican Magazine “*Letras Libres*”; Cement bag used in Columbia; Promotional bag used in Columbia; feature about the occasion of CEMEX’s 100 years celebration in Business World published in 2006; Advertisements of HOLCIM including a Holcim WallRight flyer, “Basta WallRight, ALLRIGHT” flyer, HOLCIM “Charting the Course” flyer; HOLCIM logo;

Letter from CEMEX's counsel dated 1 August 2008; Letter from Respondent dated 11 August 2008; Letter from CEMEX's counsel dated 2 September 2008; Advertisement in the Philippine Star 8 March 2010 of HOLCIM's "Building A Better Future Together" advertisement; 11 March 2010 letter of CEMEX; 29 March 2010 letter of Respondent; Advertisement in July 6, 2010 edition of the Business World with the phrase "Building A Better Future Together"; Declaration of Actual Use; Judicial Affidavit of Ms. Nor Laily A. Querijero dated 12 April 2012 ; Certified True Copy of the Audited Financial Statements of Respondent in 2008, 2009, and 2010; Deposition Upon Written Interrogatories of Ms. Maria de la Paz Fernandez Uria ; Statement of Account and Official Receipt dated 27 January 2012.⁵

On 20 September 2010, the Respondent filed its Answer, alleging among other things, the following affirmative defenses:

"8. Holcim is a corporation duly organized under the law of the Republic of the Philippines; Holcim is the result of mergers and consolidations of older companies all engaged in the manufacture of cement. It traces its existence from the incorporation of the former Hi Cement Corporation on 12 November 1964. Hi Cement was merged with two other cement manufacturing companies in January 1, 2000 and the surviving company was named Union Cement Corporation. Union's name was changed to HOLCIM PHILIPPINES, INC. on November 30, 2004. Counting from November 12, 1964 up to November 30, 2004, HOLCIM has been in the business of cement manufacturing in the Philippines for forty years. x x x

"9. CEMEX is not licensed to do, nor is it doing business in the Philippines. It purports to sue herein upon its intellectual property rights, allegedly based upon its advertising slogan 'CEMEX (which is apparently derived from the combination of the words CEMENT and MEXICO, which translates to its full meaning as CEMEXICO (or cement produced in Mexico) and Design, Building the Future.

"10. CEMEX anchors its claim of intellectual property rights on its advertising slogan and trademark 'CEMEX and Design, Building the Future.' The word CEMEX itself is clearly derived from the combination of the words CEMENT and MEXICO where the cement products are manufactured. Since CEMEX adopted the advertising slogan 'CEMEX and Design Building the Future' it took the risk that its adopted advertising slogan may actually have been used by many other cement manufacturers in other countries. As a matter of fact, HOLCIM itself conducted a Google Search for the advertising slogan 'BUILDING THE FUTURE' which turned out to be in the hundreds, proving that the slogan is a commonplace and generic expression particularly in the field of cement production for which CEMEX cannot at all claim any exclusivity. The details of the Google search conducted by HOLCIM are disclosed in lists appended hereto as Exhibit 'A' proving that hundreds of users of the phrase

⁵ Exhibits "A" to "W" inclusive of submarkings

'BUILDING THE FUTURE' are using that advertising slogan without any other users complaining about it –except CEMEX itself.

“11. CEMEX alleges that its advertising slogan and trademark is a ‘coined’ mark when the word CEMEX itself is clearly derived from the combination of the words CEMENT AND MEXICO from where the cement products were manufactured. In fact, the word ‘CEMEX’ can hardly be considered a ‘coined’ word as it does not reach up to the level of truly well known marks like ROLEX or KODAK. Neither can the additional phrase ‘CEMEX and Design Building the Future’ be considered a coined slogan mark.

“12. Indeed, CEMEX S.A.B. has not even alleged, much less proved, that it is the first user of the slogan ‘CEMEX and Design Building the Future’.

“13. HOLCIMS’s Google search of the mark ‘CEMEX and Design Building the Future’ disclosed that there are hundreds of advertising slogans using the phrase ‘Building the Future’ in different countries around the world.

“14. Indeed, it appeared that Discovery Channel was the first communications company that adopted as its slogan ‘Building the Future’ that served to emphasize a landmark series from the Discovery Channel about the phenomenal ingenuity in engineering that is shaping the world around us.

“15. In contrast, ‘CEMEX Building the Future’ appears to highlight and emphasize only their basic products, which are cement and construction materials rather than the ingenuity in engineering techniques that the construction industry has achieved.

“16. In reality, CEMEX S.A. B. attempted in a letter to HOLCIM dated August 1, 2008, to dissuade HOLCIM from using the phrase ‘Building a Better Future Together’ and from using that advertising slogan, although CEMEX itself appeared to have copied the slogan from the Discovery Channel.

“17. Since CEMEX itself had touted its cement products in the market and its use of ‘Building the Future’ it clearly signified that they are dealing principally with cement products, and they cannot claim to have exclusivity to their slogan or to their cement products, since Section 123.7 (h) of the Intellectual Property Code states that such cement products ‘consists exclusively of signs that are generic for the goods and services that they seek to identify.’ Since HOLCIM itself, there cannot be ‘unfair competition’ much less ‘trademark infringement’ on the part of HOLCIM since they are equally engaged in the production in their cement products, which are generic products produced by both competing parties. Neither is there unfair competition in this case on the part of HOLCIM. HOLCIM believes that the phrases ‘Building the Future’ is considered generic with respect to the construction industry, and since both parties are principally

dealing with generic cement products over which CEMEX cannot lawfully claim exclusive rights of use, it cannot likewise lawfully claim exclusive use of a generic construction industry slogan.

“18. After an exchange of letters between the parties, in light of HOLCIM’s August 11, 2008 reply to CEMEX’s August 11, 2008 letter, CEMEX sent a letter to HOLCIM dated September 2, 2008 where CEMEX merely stated that it ‘entreats’ HOLCIM to desist from using its challenged advertising slogan. In doing so, CEMEX appeared to have desisted from reiterating its earlier legal position, which is HOLCIM’s estimation amounted to a form of *modus Vivendi* only to be frustrated later – more precisely, one year and eight months later, when CEMEX sent its March 11, 2010 letter demand.

“19. Section 230. Equitable Principles to Govern Proceedings states: In all inter partes proceedings in the Office under this Act, the equitable principles of laches, estoppels and acquiescence where applicable, may be considered and applied. Furthermore, under Section 236 Preservation of Existing Rights Nothing herein shall adversely affect the rights on the enforcement of rights in patents, utility models, industrial designs, marks and works, acquired in good faith prior to the effective date of this Act. It bears to reiterate that HOLCIM, a Philippine company, had actual priority of rights to its cement manufacturing operations which commenced in November 12, 1964.

“20. HOLCIM relies upon Section 230. Equitable principles to govern Proceedings. – In inter partes proceedings in the Office under this Act, the equitable principles of laches, estoppel, and acquiescence may be considered and applied. HOLCIM submits that CEMEX’s inaction and complete silence for a period of one and a half years (from September 2, 2008 to March 11, 2010) renders the equitable principles of estoppels and/or laches applicable here against against CEMEX.

“21. On the other hand, HOLCIM also relies on Section 236. Preservation of Existing Rights- xxx

“22. On 29 March 2010, HOLCIM through counsel, sent a letter replying to CEMEX’s March 11, 2010 demand and advising CEMEX that it will not desist from using the objected phrase since it does not infringe CEMEX’s registered trademark ‘CEMEX and Design, Building the Future’. There is no trademark infringement on the part of HOLCIM by using the advertising slogan ‘Building the Future’ because that slogan has been used by many other companies in other countries around the world. If at all, HOLCIM’s choice of ‘Building the Future’ is not a form of infringement but a form of dilution that CEMEX brought upon itself by choosing to use that slogan in as many countries as they could count with the result that the ‘Building the Future’ slogan actually becomes meaningless to consumers, to the point that the slogan itself became diluted.

"24. Dilution occurs when the unauthorized use of a famous mark reduces the public's perception that the mark signifies something unique, singular, or particular. In other words, dilution can result in the loss of the mark's distinctiveness and worst case scenarios, the owner's rights in it.

"25. CEMEX cannot preempt HOLCIM from using advertising slogan 'Building the Future,' as the facts clearly prove that other countries have used it ahead of CEMEX itself. HOLCIM cannot be accused of any unfair competition by CEMEX as the facts clearly prove that other companies have used it even ahead of CEMEX itself. In truth, it is CEMEX that is engaged in unfair competition against HOLCIM. x x x

"27. On the basis of Section 148, CEMEX cannot preclude HOLCIM from using the advertising slogan 'Building a Better Future Together' since CEMEX does not have the legal right to preclude third parties, including HOLCIM, from using *bonafide* their names, addresses, pseudonyms, or geographical name or exact indications concerning the kind, quality, destination, value, place of origin, or time of production of or supply, of their goods or services. CEMEX is actually trying to hide behind the advertising slogan, which it did not even originate, to compete with HOLCIM in a lawful manner.

"28. HOLCIM does not mislead the public as to the source of its goods or services since the HOLCIM brand name is printed on the cement packages. CEMEX itself also carries the brand name on its cement products and so does not deceive consumers who have the right of choice between CEMEX and HOLCIM products. It is the public that decides what product they prefer to buy, and its decision does not depend on an advertising slogan which did not even originate from CEMEX itself. Neither is there any form of trademark infringement in this case on the part of HOLCIM based merely on an advertising slogan since there cannot be any form of unfair competition on the part of either HOLCIM or CEMEX as CEMEX unfairly suggests since the choice is made by knowledgeable consumers who have the right of choice between one or the other's products.

"29. Under Section 123.1, a mark cannot be registered if it consists exclusively of signs that are generic for the goods or services they seek to identify. CEMEX's adoption of the 'CEMEX and Design Building the Future, as an advertising slogan that is applied to cement products is actually a perfect example of a mark which is unregistrable pursuant to Section 123.1 (i) as, 'it consists exclusively of sign that are generic for the goods or services that they seek to identify.

"30. Upon the other hand, invoking Section 123.2 HOLCIM maintains that 'nothing shall prevent the registration of any such sign or device which has

become distinctive in relation to the goods for which registration is requested as a result of the use that have been made of it in commerce in the Philippines.

“31. Indeed, the IP Office may accept as *prima facie* evidence that the mark has become distinctive, as used with the applicant's goods or services in commerce, proof of substantially exclusive and continuous use thereby by the applicant in commerce in the Philippines for five (5) years before the due date on which the claim of distinctiveness is made.

“32. As pointed out in paragraph 8 above, HOLCIM has certainly been in the business of manufacturing cement for more than five years - around 40 years in all reckoned from the incorporation of its original predecessor Hi Cement Corporation on November 12, 1964. In reality, a mere advertising slogan like ‘Building the Future’ does not sell products; it is the renown of a competitor's name with 40 years of experience in the construction business and the patronage of consumers that do.”

The Respondent offered the following evidence: Letter dated 1 August 2008 addressed to Holcim; Holcim's letter to Cemex dated 11 August 2008; Cemex's letters dated 2 September 2008 and 11 March 2010 to Holcim; Holcim's letter dated 29 March 2010 to Cemex; Print-out of Google Search of the phrase “Building the Future”; Statement of Accounts issued by SyCipLaw; Judicial Affidavit of Maricar Dela Cruz dated 3 September 2014; print-out of Holcim's advertising slogans; and Judicial Affidavit of Raymond M. Tadina.⁶

The Complainant and Respondent submitted their respective Memorandum on 29 July 2015 and 22 June 2015, respectively.

The issues in this case are whether the Respondent committed trademark infringement and/or unfair competition and is it liable for damages by its use of the advertising slogan “Building A Better Future Together”?

The relevant provisions are Sections 155.1 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”), which provides that:

Any person who shall, without the consent of the owner of the registered mark:

155.1. Use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark or the same container or a dominant feature thereof in connection with the sale, offering for sale, distribution, advertising of any goods or services including other preparatory steps necessary to carry out the sale of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or 155.2. Reproduce, counterfeit, copy or colorably imitate a registered mark or a dominant feature thereof and apply such reproduction, counterfeit, copy or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements

⁶ Exhibits “1” to “18” inclusive of submarkings.

intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive, shall be liable in a civil action for infringement by the registrant for the remedies hereinafter set forth: Provided, That the infringement takes place at the moment any of the acts stated in Subsection 155.1 or this subsection are committed regardless of whether there is actual sale of goods or services using the infringing material.

And Sec. 68, which provides, to wit:

SEC. 168. Unfair Competition, Rights, Regulation and Remedies

168.1. A person who has identified in the mind of the public the goods he manufactures or deals in, his business or services from those of others, whether or not a registered mark is employed, has a property right in the goodwill of the said goods, business or services so identified, which will be protected in the same manner as other property rights.

168.2. Any person who shall employ deception or any other means contrary to good faith by which he shall pass off the goods manufactured by him or in which he deals, or his business, or services for those of the one having established such goodwill, or who shall commit any acts calculated to produce said result, shall be guilty of unfair competition, and shall be subject to an action therefor.

168.3. In particular, and without in any way limiting the scope of protection against unfair competition, the following shall be deemed guilty of unfair competition:

(a) Any person, who is selling his goods and gives them the general appearance of goods of another manufacturer or dealer, either as to the goods themselves or in the wrapping of the packages in which they are contained, or the devices or words thereon, or in any other feature of their appearance, which would be likely to influence purchasers to believe that the goods offered are those of a manufacturer or dealer, other than the actual manufacturer or dealer, or who otherwise clothes the goods with such appearance as shall deceive the public and defraud another of his legitimate trade, or any subsequent vendor of such goods or any agent of any vendor engaged in selling such goods with a like purpose; x x x

The registered marks of the Complainant, CEMEX S.A.B. DE C.V. are reproduced below:



BUILDING THE FUTURE

Records show that the Complainant secured the registration of its mark "CEMEX and Design, Building the Future" in the Philippines under Certificate of Registration No. 4-2001-



008296⁷ on 30 July 2006. The mark "Building the Future" under Reg. No. 42008010882 was registered on 9 March 2009. In Mexico, the Complainant registered its mark on 18 May 2001.⁸ According to Complainant's witness, Ms. Maria de la Paz Fernandez Uria⁹, the Complainant is one of the leading manufacturers of construction materials (including cement), oil and fuels, adhesives and has been doing business since 1906. She attests that the mark "CEMEX and design, Building the Future" is registered in 96 classes in 27 countries worldwide. Evidence shows that in the Philippines, the Complainant entered into licensing agreements¹⁰ with the other Complainants, Apo Cement and Solid Cement to use its registered mark in their advertising materials. Based on evidence, it used the mark "CEMEX and Design, Building the Future" in marketing and advertising of its products in the Philippine Star, Business World, Business Mirror and the Manila Bulletin between 2009 and 2011¹¹.

In *Prosource International, Inc. v. Horphag Research Management SA*¹², the Supreme Court laid down the elements of infringement under Republic Act. No. 8293, it held:

The trademark being infringed is registered in the Intellectual Property Office; however, in infringement of trade name, the same need not be registered;

The trademark or trade name is reproduced, counterfeited, copied, or colorably imitated by the infringer;

The infringing mark or trade name is used in connection with the sale, offering for sale, or advertising of any goods, business or services; or the infringing mark or trade name is applied to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used upon or in connection with such goods, business or services;

The use or application of the infringing mark or trade name is likely to cause confusion or mistake or to deceive purchasers or others as to the goods or services themselves or as to the source or origin of such goods or services or the identity of such business; and

It is without the consent of the trademark or trade name owner or the assignee thereof.

The records show that the slogan "Cemex and design, Building the Future"¹³ and "Building the Future" are registered marks of the Opposer. Admittedly, the alleged infringing

⁷ Exhibit "A".

⁸ Exhibit "A-1".

⁹ Exhibit "U".

¹⁰ Exhibits "F" and "G".

¹¹ Exhibits "G" with submarkings.

¹² G.R. No. 180073, 25 November 2009

¹³ Exhibit "C"

mark "Building a Better Future Together"¹⁴, is tagline used by the Respondent in its various advertising materials and billboards in promoting its cement products. What remains to be determined is whether "Building a Better Future Together" is a reproduction, copy or colorable imitation of Opposer's mark, which is likely to cause confusion, mistake or deception. In *Mighty Corporation v. E.J. Gallo Winery*¹⁵, the Supreme Court held:

"Whether a trademark causes confusion and is likely to deceive the public hinges on "colorable imitation" which has been defined as "such similarity in form, content, words, sound, meaning, special arrangement or general appearance of the trademark or tradename in their overall presentation or in their essential and substantive and distinctive parts as would likely mislead or confuse persons in the ordinary course of purchasing the genuine article."

Jurisprudence has developed two tests in determining similarity and likelihood of confusion in trademark resemblance:

(a) the Dominancy Test applied in *Asia Brewery, Inc. vs. Court of Appeals* and other cases, and

(b) the Holistic or Totality Test used in *Del Monte Corporation vs. Court of Appeals* and its preceding cases.

The Dominancy Test focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception, and thus infringement. If the competing trademark contains the main, essential or dominant features of another, and confusion or deception is likely to result, infringement takes place. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate. The question is whether the use of the marks involved is likely to cause confusion or mistake in the mind of the public or deceive purchasers.

On the other hand, the Holistic Test requires that the entirety of the marks in question be considered in resolving confusing similarity. Comparison of words is not the only determining factor. The trademarks in their entirety as they appear in their respective labels or hang tags must also be considered in relation to the goods to which they are attached. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion whether one is confusingly similar to the other.

In comparing the resemblance or colorable imitation of marks, various factors have been considered, such as the dominant color, style, size, form, meaning of letters, words, designs and emblems used, the likelihood of deception of the mark

¹⁴ Exhibit "L", Exhibits "14" to "17"

¹⁵ G.R. No. 154342, 14 July 2004

or name's tendency to confuse and the commercial impression likely to be conveyed by the trademarks if used in conjunction with the respective goods of the parties. ”

An assessment of the marks readily show that the Respondent-Applicant uses two words in Opposer's mark, "BUILDING" and "FUTURE", differing in the addition of the adjective, "BETTER" and the adverb "TOGETHER", hence, BUILDING A BETTER FUTURE TOGETHER. The word BUILDING, is a weak mark and is a common parlance in the cement industry or construction industry. In *Philippine Refining Inc. v. Ng Sam*, the Court affirms its validity as a trademark but comments on its exclusivity. The Supreme Court, thus held:

The term "CAMIA" is descriptive of a whole genus of garden plants with fragrant white flowers. Some people call the "CAMIA" the "white ginger plant" because of its tuberous roots, while children refer to it as the butterfly flower because of its shape. Being a generic and common term, its appropriation as a trademark, albeit in a fanciful manner in that it bears no relation to the product it identifies, is valid. However, the degree of exclusiveness accorded to each user is closely restricted.

Preceding there from, since "BUILDING THE FUTURE", is common jargon, its scope of protection and degree of exclusivity is restricted, such that the addition or combination of other words, such as BETTER and TOGETHER, creates a different mark, which removes it from the scope of Complainant's mark's exclusive trademark protection. The Respondent asserts that a Google search¹⁶ of the phrase "Building the future" reveal that a number of other entities have appropriated the term "Building the future", in articles or titles. For example, *Building the Future* is a landmark series from the Discovery Channel¹⁷; Eurocodes Building the Future, are a series of European Standards EN1990, providing a common approach for the design of buildings; Blogspot posting: Megaworld Philippines: *Building the Future*; *Building the future* : Innovation in design, materials, Book discusses the role of physical tests in the development of design methods for new structural materials, new construction techniques; *Building the Future* of Cambodia's children; *Building the Future*: Unilever ... Research and Development in Unilever ranges from looking at emerging technologies; *Building the Future* – Google Books Result ... Discovers the political conditions of blacks around the world. Indeed, there appears to be a lot of internet links with the line "Building the Future" in both the construction field and others, such as: Renault.com *Building the future* - taking action for the environment which means looking ahead; *Building the future* - A program for building peace and prosperity in the Middle East; *Building the future* & singularity industries, Flickr *Building the future*- Flickr is almost certainly the best online photo management and sharing application in the world; *Building the future* of Conversation. Celebrating 15 years of success.; *Building the Future* Main page- Machines and Engineering... etc. The Complainant also notes that the google search of its slogan evinces its own website, "CEMEX- *Building the future*- worldwide producer of cement, ready-mix concrete and aggregates. Included product and solution information, news and links to related sites."¹⁸

¹⁶ Exhibit "6"

¹⁷ Ibid.

¹⁸ Exhibit "Q". "Q-1"

Likewise, the Bureau observes, that its own IPO trademark database¹⁹ website is replete with marks with the words BUILDING joined with either the words "better", "together" and "future", owned by various entities, such as: RUBI BUILDING TOGETHER²⁰; BUILDING STORIES TOGETHER²¹; MTC LEARNING SYSTEMS, INC. BUILDING CAREERS FOR A BRIGHTER FUTURE²²; BUILDING A BETTER TOMORROW OUR SUSTAINABILITY LEADERSHIP AGENDA²³; TEKCOM TOGETHER BUILDING THE BEST²⁴; BUILDING BETTER CITIES²⁵; BETTER HEALTH BRIGHTER FUTURE²⁶ etc. Therefore, on account of the Respondent's use of other words in its tagline, the Respondent was able to create its own unique slogan or mark, "BUILDING A BETTER FUTURE TOGETHER", different from the Complainants. Therefore, the commercial impression of the slogan of Respondent, when affixed to its goods or advertising²⁷ include other features and elements, that give its own unique presentation.

The Bureau disagrees with Complainant's supposition that the Respondent committed unfair competition. Although the laws on trademark infringement and unfair competition have a common conception at their root, that is, a person shall not be permitted to misrepresent his goods or his business as the goods or business of another, the law on unfair competition is broader and more inclusive than the law on trademark infringement. x x x Conduct constitutes unfair competition if the effect is to pass off on the public the goods of one man as the goods of another. It is not necessary that any particular means should be used to this end.²⁸ The Supreme Court in Del Monte Corporation vs. Court of Appeals laid the requisites for a finding of unfair competition, it held:

To arrive at a proper resolution of this case, it is important to bear in mind the following distinctions between infringement of trademark and unfair competition.

- (1) Infringement of trademark is the unauthorized use of a trademark, whereas unfair competition is the passing off of one's goods as those of another.
- (2) In infringement of trademark fraudulent intent is unnecessary whereas in unfair competition fraudulent intent is essential.
- (3) In infringement of trademark the prior registration of the trademark is a prerequisite to the action, whereas in unfair competition registration is not necessary

¹⁹ <http://www.wipo.int/branddb/ph/en/>

²⁰ issued to German Boada, S.A., Reg. No. 411164153

²¹ Firebird Home Development Corporation, Application no. 42016013013

²² Eugenio Gonzalez, 42004006214

²³ Jones Lange Lasalle IP, Inc., 42016008189

²⁴ Tekcom Corporation, 42016009897

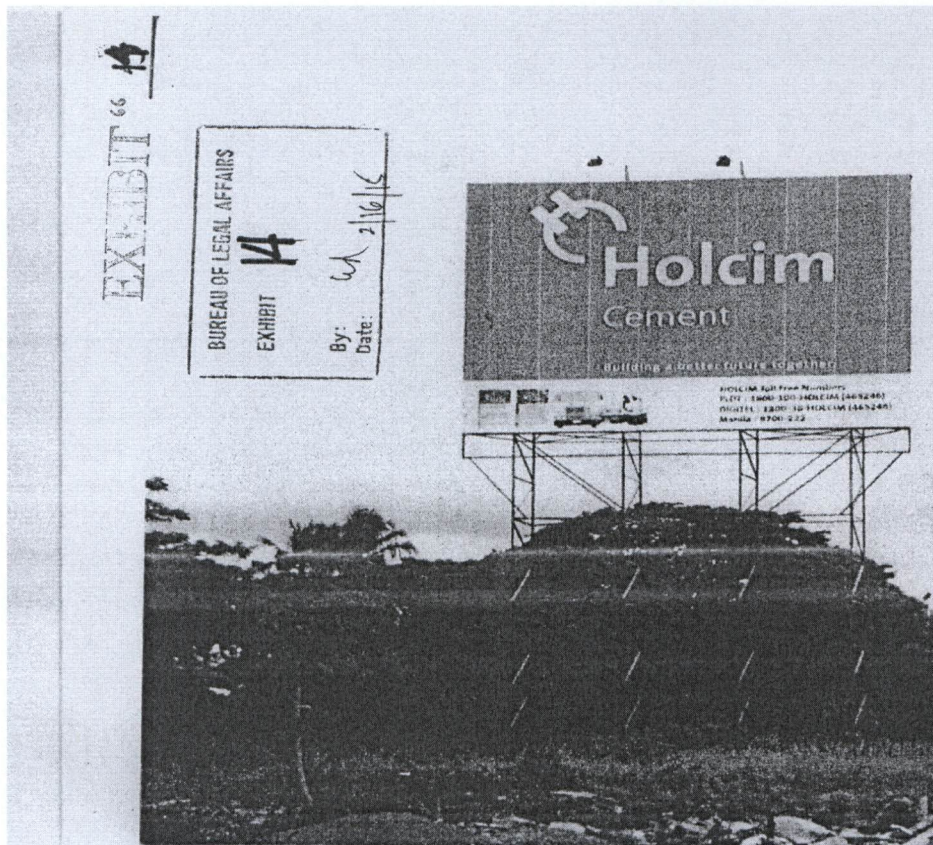
²⁵ Lafarge 42012007016

²⁶ Takeda Pharmaceutical Company Limited, 42016007017

²⁷ Exhibits "14" to "17"

²⁸ E. Spinner & Co. vs. Neuss Hesslein Corporation, 54 Phil. 225, 231-232 [1930].

The Bureau cannot ascribe the passing off or fraudulent intent on the part of the Respondent. Aside from the fact that the advertising and promotional materials of the Respondent, have other taglines or slogans such as: “Strengthened by Holcim Cement²⁹”; “Para sa Tibay at Tipid, Gamitin ang Holcim Combo³⁰” the advertising also contains pictures or trucks and trees.³¹ More importantly, its logo HOLCIM, which is also Respondent's corporate name appears distinctly in its products and advertising. The Respondent's billboard³² is shown below:



Such being the case, the Complainant has not proven that Respondent committed trademark infringement or has unfairly competed by the use of the slogan “BUILDING A BETTER FUTURE TOGETHER”.

²⁹ Exhibit “15”

³⁰ Exhibit “17”

³¹ Exhibit “16”


³² Exhibit “14”

[Handwritten signature]

WHEREFORE, premises considered, the administrative complaint for Trademark Infringement and Unfair Competition with damages is, as it is, hereby **DISMISSED**.

SO ORDERED.

Taguig City, 22 DEC 2017


Atty. **NATHANIEL S. AREVALO**
Director IV
Bureau of Legal Affairs