



INTELLECTUAL PROPERTY  
OFFICE OF THE PHILIPPINES

**INNOVATION VENTURES LLC and INTERNATIONAL  
IP HOLDINGS LLC,**  
*Opposer,*

**-versus-**

**LEEMAN HOLDINGS LIMITED,**  
*Respondent-Applicant.*

**IPC No. 14-2015-00319**

Opposition to:

Appln. Serial No. 4-2015-00000802  
Date Filed: 23 January 2015

**TM: 5 HOUR ENERGY**

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**NOTICE OF DECISION**

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**GREETINGS:**

Please be informed that Decision No. 2018 - 06 dated 26 January 2018(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, 26 January 2018.

**MARILYN F. RETUAL**  
IPRS IV  
Bureau of Legal Affairs



INTELLECTUAL PROPERTY  
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**INNOVATION VENTURES LLC  
and INTERNATIONAL IP  
HOLDINGS LLC,**  
Opposers,

IPC No. 14-2015-00319  
Opposition to:

Appln. No. 4-2015-00000802  
Date Filed: 23 January 2015  
Trademark: **"5-HOUR ENERGY"**

-versus-



**LEEMAN HOLDINGS LIMITED,**  
Respondent-Applicant.

Decision No. 2018 - 06

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### DECISION

INNOVATION VENTURES LLC and INTERNATIONAL IP HOLDINGS LLC (“Opposers”),<sup>1</sup> filed an opposition to Trademark Application Serial No. 4-2015-000802. The application, filed by LEEMAN HOLDINGS LIMITED (“Respondent-Applicant”),<sup>2</sup> covers the mark "5 HOUR ENERGY" for use on “*non-alcoholic beverages; fruit juice beverages (non-alcoholic); whey beverages; mineral water (beverages); kvass (non-alcoholic beverage); sherbets (beverages); isotonic beverages; aloe vera drinks; non-alcoholic; beverages (preparations for making); syrups for beverages; soda drink; bean drink; ginger juice drink; mung bean beverage; lactic acid beverage (fruit product, no milk)*” under Class 32 of the International Classification of Goods<sup>3</sup>.

The Opposers allege that it is the first and original users of the 5 HOUR ENERGY marks. It was first used in commerce in 2004 throughout the United States, and as early as June of 2005 outside the United States. Products bearing the 5-HOUR ENERGY marks can now be found in various countries, including Canada, Spain, Portugal, South Africa, the United Kingdom, and the Netherlands. The 5-HOUR ENERGY products have approximately 90% market share in the energy products industry. More than 2 billion units of the Opposers' 5-HOUR ENERGY products have been sold since their entry into the market. Since its launch in

<sup>1</sup> Corporations organized and existing under the laws of the State of Michigan, United States of America, with address at 38955 Hills Tech Drive Farmington Hills, MI 48331, and 39533 Woodward Ave., Ste. 318 Bloomfield Hills, Michigan, United States.  
<sup>2</sup> A limited liability company with business address at Suite 3313, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.  
<sup>3</sup> The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the 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 Purpose of the Registration of Marks concluded in 1957.

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2004, sales of the Opposers' 5-HOUR ENERGY products have exceed USD \$2,500,000,000 and has spent more than USD \$750,000,000 on advertising and marketing.

The Opposers further allege they have pending applications and/or registrations for goods under Classes 05, 25, and 32 in different countries, well over 100 trademark registrations or applications in at least thirty (30) countries spanning all continents. The Opposers' products are also endorsed by many famous athletes through TV advertisements broadcasted in different countries. It is clear therefore that Opposers' 5-HOUR ENERGY is a well-known and world famous marks that deserves to be protected under Section 123.1 (e) and (f) of the IP Code.

According to the Opposers, it takes creativity and artistic skill to combine a silhouette of a running person, mountain, sea, horizon, and a gradient of several colors into one distinctive logo. This instant case therefore, finds basis to oppose the subject mark since their mark is inherently distinctive. Respondent-Applicant's mark cannot be registered as it is exactly identical to Opposers' mark. Moreover, the goods covered by Respondent-Applicant's opposed mark is identical/closely related to those of Opposer's goods bearing the 5-HOUR ENERGY mark and its variants, causing not only a likelihood but a certainty of confusion.

Correspondingly, the various applications filed by Respondent-Applicant seeking to register marks that are identical to Opposers' mark clearly show a plan to associate its goods with those of Opposers. It is worthy to note that Respondent-Applicant also applied for the registration of the 5-HOUR ENERGY mark in other classes, presumably to test which one can proceed to registration despite the Opposers' ownership of the 5-HOUR ENERGY mark. Opposers will suffer substantial damage due to the use and registration of Respondent-Applicant's 5-HOUR ENERGY mark as it is identical to Opposers' mark.

The Opposers' evidence consists of the following:

1. Application details of 5-HOUR ENERGY from IPO online database;
2. Affidavit of Matthew Dolmage;
3. List of the applications and registrations of the 5-HOUR ENERGY" mark all over the world;
4. USB drive containing a copy of the entry in the Official Gazette showing the registration of the 5-HOUR ENERGY mark in the Supplemental Register of the US Patent and Trademark Office;
5. Print-outs of Opposers' actual product bearing the mark 5-HOUR ENERGY;
6. Decision of the US Supreme Court in favor of Opposers;
7. Decision of US Supreme Court in favor of Opposers and against 8-HOUR ENERGY
8. Copies of the Certificates of Registration of the 5-HOUR ENERGY mark all over the world;
9. Various surveys and advertisements showing that the 5-HOUR ENERGY is associated with Opposers and is a well-known mark;
10. Various advertisements showing that the 5 HOUR ENERGY mark has established goodwill and respectable reputation;
11. Representative printouts of the TV shows;
12. English translation of the Certificates of Registration;

13. Print out of the website showing the sale of Opposers' product;
14. Print out of the website article showing the successful cases filed by Opposers to establish exclusive use of the 5 HOUR ENERGY; and,
15. Certificates of Registration for the mark 5-HOUR ENERGY issued by the United States Patent and Trademark Office.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 22 September 2015. The latter, however, did not file an Answer. Thus, this Bureau issued an Order<sup>4</sup> declaring the Respondent-Applicant in default. Hence, this decision.

Should the Respondent-Applicant be allowed to register the trademark 5-HOUR ENERGY?

It is emphasized that the essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing out into the market a superior 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.<sup>5</sup>

The instant case is anchored, among others, on the ground that the trademark application is contrary to the provision of Sec. 123.1 (d) R.A. No. 8293, otherwise known as the Intellectual Property Code ("IP Code"). It is provided:

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;

Records show that the Respondent-Applicant filed its trademark application for the subject mark "5-HOUR ENERGY" on 23 January 2015. On the other hand, the Opposers applied for registration of the mark "5-HOUR ENERGY" on a later date, 04 August 2015. However, the Opposers have shown registrations for the mark "5-HOUR ENERGY" issued by various foreign countries.<sup>6</sup>

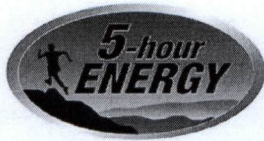
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<sup>4</sup> Order No. 2016-617 dated 11 April 2016.

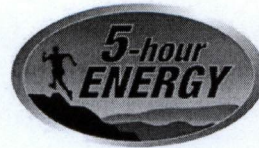
<sup>5</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).

<sup>6</sup> Exhibits "C" and "M" of Opposers.

The competing marks are shown below for comparison:



Opposers' Trademark



Respondent-Applicant's Trademark

The contending marks are identical in all aspects. As regards the goods covered by the marks, Respondent-Applicant's "5-HOUR ENERGY" covers "*non-alcoholic beverages; fruit juice beverages (non-alcoholic); whey beverages; mineral water (beverages); kvass (non-alcoholic beverage); sherbets (beverages); isotonic beverages; aloe vera drinks; non-alcoholic beverages (preparations for making); syrups for beverages; soda drink; bean drink; ginger juice drink; mung bean beverage; lactic acid beverage (fruit product, no milk)*" under Class 32 whereas, Opposers' "5-HOUR ENERGY" covers *food supplement or dietary supplement for humans* under Class 05.<sup>7</sup> While they are not identical in terms of goods classification, it appears that Opposers' bottle packaging bears the mark 5-HOUR ENERGY. While Respondent-Applicant's goods are only containers for general purpose and use, with or without the contents, the appearance of the bottle bearing an identical mark will obviously create an impression to the consumers that these goods or products 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:<sup>8</sup>

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily 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. Hence, 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.

The public interest, therefore, requires that the 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 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

<sup>7</sup> Philippine Trademark Database, available at <http://www.wipo.int/branddb/ph/en/>. (last accessed 08 January 2017).

<sup>8</sup> Converse Rubber Corporation v. Universal Rubber Products Inc., et al., G.R. No. L-27906, 08 Jan. 1987.

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and different article as his product.<sup>9</sup>

Clearly, it is not the application of the trademark that confers ownership of a mark, but it is ownership of the mark that confers the right to registration. While the country's legal regime on trademarks shifted to a registration system, it is not the intention of the legislators not to recognize the preservation of existing rights of trademark owners at the time the IP Code took into effect.<sup>10</sup> In *E.Y. Industrial Sales, Inc. and Engracio Yap v. Shen Dar Electricity Machinery Co. Ltd.*<sup>11</sup>, the Supreme Court held:

RA 8293 espouses the "first-to-file" rule as stated under Sec. 123.1(d) which states:

x x x

Under this provision, the registration of a mark is prevented with the filing of an earlier application for registration. This must not, however, be interpreted to mean that ownership should be based upon an earlier filing date. While RA 8293 removed the previous requirement of proof of actual use prior to the filing of an application for registration of a mark, proof of prior and continuous use is necessary to establish ownership of a mark. Such ownership constitutes sufficient evidence to oppose the registration of a mark.

Sec. 134 of the IP Code provides that "any person who believes that he would be damaged by the registration of a mark x x x" may file an opposition to the application. The term "any person" encompasses the true owner of the mark, the prior and continuous user.

Notably, the Court has ruled that the prior and continuous use of a mark may even overcome the presumptive ownership of the registrant and be held as the owner of the mark. As aptly stated by the Court in *Shangri-la International Hotel Management, Ltd. v. Developers Group of Companies, Inc.*"

The Opposers sufficiently presented evidence of ownership over the trademark "5-HOUR ENERGY". The documents submitted proved priority in use, advertisements and promotions, and prior registration in various countries for the trademark "5-HOUR ENERGY", the earliest of which dates back in 2008 and 2009.<sup>12</sup>

However, this Bureau cannot declare Opposers' mark as well-known. While it has shown trademark registrations in foreign jurisdictions, it failed to meet the other criteria of a well-known mark. Among others, it did not show a vast and particular extent, duration and geographical area of the use of its mark, the market share in the Philippines and in other countries, and the outcome of litigations, if any, in dealing with the issue of a well-known mark<sup>13</sup>.

On the part of the Respondent-Applicant, it did not give sufficient explanation in

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<sup>9</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.

<sup>10</sup> See Sec. 236, IP Code.

<sup>11</sup> G.R. No. 184850, 20 October 2010.

<sup>12</sup> Exhibit "C" of Opposers.

<sup>13</sup> Rule 102. Criteria for Determining Whether a Mark is Well-Known.

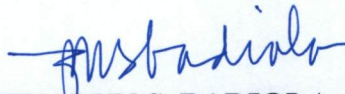
adopting an identical or confusingly similar trademark. The said mark is unique and highly distinctive with respect to the goods it is attached with. It is incredible for the Respondent-Applicant to have come up with the same mark practically for similar goods by pure coincidence.

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 million of terms and combination 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.<sup>14</sup>

**WHEREFORE**, premises considered, the instant Opposition to Trademark Application No. 4-2015-00000802 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. 26 JAN 2018



**Atty. GINALYN S. BADIOLA, LL.M.**  
*Adjudication Officer, Bureau of Legal Affairs*

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<sup>14</sup> American Wire & Cable Company v. Director of Patents, G.R. No. L-26557, 18 February 1970.